

Guangzhou Mission to Identify Productivity Solutions for the Catering Industry

Mission leader and President of ACAPS, Mr Daniel Ang said that all delegates were very pleased with the outcome of the study mission. “We were impressed with the Guangzhou companies as they are very well-organised, and have procedures and practices in place which we could learn from. The wholesale centres provided the opportunity for us to source and purchase equipment and benefit from the cost savings.”

SCCCI President Thomas Chua said, “During this period of economic restructuring, the Chamber is committed to work with trade associations with customized programmes to help their members, particularly the SMEs, adopt useful productivity measures to overcome their manpower challenges.”

In order to improve the productivity of the catering industry, the Association of Catering Professionals Singapore (ACAPS) collaborated with the Singapore Chinese Chamber of Commerce & Industry (SCCCI), to organise this productivity study mission to Guangzhou on March 2-8 2014. The delegation consisted of 21 mission delegates, representing catering suppliers and catering services. The objective was to strengthen SMEs’ services, distribution channels, strategies and brand concepts, leverage on new innovative concepts, and ultimately strengthen the capability of the local catering industry. The study mission received strong support from SPRING Singapore.

During the study mission in Guangzhou, delegates held meetings to exchange experiences with the Guangdong Group Catering Association and China Hotel Association. The study mission also went on site visits to many renowned catering services companies in Guangzhou, such as Jin Gu Yuan Catering Company, Guangzhou Zhongwei Catering Services Ltd, Guangzhou New & Good Enterprise Management Services Co Ltd, Dongguan Hongjun Food Management Co Ltd, and local fast food chain, Kungfu Restaurant. During these visits, the delegates learnt about the production management system, and the importance of standardisation to overall growth.

Guangzhou is also experiencing manpower challenges, and delegates saw for themselves how automation and hi-tech equipment could reduce the reliance on manpower when viewing their central kitchens.

Delegates took a special interest in the huge automatic rice cooker (大锅饭) which they saw in Jin Gu Yuan's central kitchen. This hi-tech automatic rice cooker, manned by 3-5 workers, could cater to the demand of serving piping hot rice to a crowd of 30,000 people. This was a solution adopted by Jin Gu Yuan to cope with the acute manpower shortage in Guangzhou's F&B industry; at the same time the automation could help to maintain quality control and improve the company's overall competitiveness. While the catering companies in Guangzhou are of a much larger scale and typically serve corporate and institutional clients, delegates saw the value and potential of customising this equipment to suit the needs of the Singapore catering industry and solve certain manpower problems.

After the visit to the Guangzhou Shaxi International Hotel Hospitality Expo Centre, delegates disclosed having negotiated for the purchase of catering cutlery, kitchen equipment, and freezing equipment amounting to S\$120,000. In the coming 12 months, they are also planning to enter into transactions of S\$300,000 with the suppliers from Guangzhou.

Mr Richie Ling from Lavish Dine Catering Pte Ltd, one of the delegates on the study mission, said, "The trip was a real eye-opener. Guangzhou catering companies are run like the Europeans, with strong emphasis on branding, technology, standard operating procedures; they also put in a lot of effort on staff training and welfare." Elaborating on new technology which could cut down substantially on manpower, he cited the example of a vegetable machine which could cut vegetables to selected sizes, wash them very thoroughly, and then have the cut vegetables dropped into a basket, ready for cooking. Richie said, "We were surprised that our Guangzhou industry counterparts were so advanced."

Delegates discovered numerous examples of innovative equipment that could help in their catering processes back home. These included bento sealing machines, tilting frying pans, automatic frying wok/machines and automated rice cookers, amongst others.

It was found that the costs of related products in Guangzhou, such as crockery and cutlery like knives, forks and spoons used in Western cuisine are 30-50% lower than Singapore. ACAPS hopes to find more diversified product sources and to enter into bulk purchases to help delegates improve their competitiveness and overall performance. They managed to make bulk purchases like porcelain wares, potato peelers, chocolate fondue machines, display stands, linen, thermal tubs, and containers of kitchen equipment.

Another interesting finding from the study mission was in management methods adopted by companies in Guangzhou. In particular, Dongguan Hongjun Food Management Co Ltd evaluates staff performance in a most novel way – providing a Grape KPI system for employee performance evaluation. Basically, bunches of grapes are displayed graphically on a whiteboard, and different colours would be filled in for each employee. Green denotes good work performance, while red stands for excellent work performance, and the staff would be duly rewarded. Anyone who gets a black coloured in on the grape has performed poorly and gets no rewards. This visual evaluation and management tool was very suitable for all employees, including those performing more menial tasks and were not as highly educated, imposed a form of control for every employee each day and for each task. Since implementation, results have been very favourable; only green and red could be seen on the grapes, there was no black on the bunches of grapes at all. This system provides a direct and easily understandable system for employees to understand their performance levels.



The ACAPS delegation was warmly welcomed by the Guangdong Group Catering Association.



Delegates viewing the operations of the central kitchen at Guangzhou New & Good Enterprise Management Services Co Ltd.



Delegates having a hands-on session in cake baking while visiting Guangzhou Zhongwei Catering Services Ltd.





Delegates were impressed with the range of catering equipment available at the Guangzhou Shaxi International Hotel Hospitality Expo Centre.

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About Singapore Chinese Chamber of Commerce & Industry

Established in 1906, the Singapore Chinese Chamber of Commerce & Industry (SCCCI) is an internationally renowned business organisation and the apex body of the Chinese business community in Singapore. It is the founder of the biennial World Chinese



Entrepreneurs Convention and the World Chinese Business Network (www.wcbn.com.sg), a global online business information portal. It plays a key and proactive role in representing the interests of the local business community. In its continued drive for service excellence, the SCCCI has become the first business chamber in the region that has been awarded ISO 9001:2000 certification since 1995. In 2009, the Chamber successfully upgraded its ISO certification to ISO 9001:2008.

The SCCCI has a membership network of 151 trade associations and 4,000 corporate entities including large financial and business organisations, multinational corporations, government-linked companies, and small and medium enterprises from a wide spectrum of trades and industries. Together, they provide the business community with vast resources and an influential global Chinese business network for business, culture and education.