Pipe-layer with personal touch

Ley Choon Group plays the human resources card with panache to fulfil clients' needs consistently

By RUBERT CUBERTA, KOH WEN LING and YEO WEE JIAN

Ley Choon Group has built up a reputation for superior speed, flexibility and reliability by focusing on its people and technology. And, in turn, allows Ley Choon in fulfil direct requirements with consistent quality, giving it an edge over the competition.

No exemplary track record and a quick our

service for client feedback have made the one-step pipe-laying solution provider an asset to any construction project.

The group's two-management teams - David Yeo and Lee Chew Yoong - are responsible for the company's day-to-day operations.

David, 40, and Lee, 50, are the directors of operations.

Both have vivid memories of the tough times in the early days when he and his brothers went into the business in the mid-1980s. By 1998, they had made inroads in the industry and the four of them incorporated Ley Choon Constructions and Engineering Pte Ltd, focused on the pipe-laying business. Operating out of a container in Woodlands with US engineers, the brothers - through sheer hard work and frugality - pushed the company through that period.

Ley Choon Group is one of the largest one-step utilities infrastructure company in Singapore with over a thousand employees. Brothers Chew Yaun, 36, Chew Guo, 49, and Chew Chai, 36, are respectively the chief executive officer, chief operating officer and assistant project director.

Ley Choon’s core businesses are construction and maintenance of underground utilities infrastructure, sewer pipe rehabilitation, construction and maintenance of roads and airfields, as well as asphalt pre-mix production and construction-waste recycling.

Major clients for underground utilities infrastructure and road maintenance include PUB, the Land Transport Authority, Powerhouse, SingTel and JTC Corporation. Ley Choon’s aerial maintenance services cover primarily Changi Airport Group. Over 90 per cent of the group’s projects are government-related, which are clinched through public tenders.

Mr Toh, who also plays a key role in business development as deputy CEO, keeps coming back to the group’s heritage of technical excellence and its brand of service and support.

"We have 15 years of experience, which has earned us a reputation for excellence and we make sure we live up to it. Our clients have developed a deep trust in us because we deliver consistently," Mr Toh explained.

Ley Choon has enjoyed a 20% compound annual growth rate in the last five years.

"The management has left family in trust of running previous human capital even through difficult times. In 2005, we went through a rough patch for six months. We decided to run on four-hour shifts instead of laying off employees," Mr Toh revealed.

In addition, the company runs a tight ship in the form of an "excellently designed compensation and benefits policy. A salary-based grading system determines the basic pay and benefits received by employees, with a number of additional awards given out to recognize outstanding performances."

A demand point system is maintained in parallel. "An employee gets 0.1 demand point for minor incident, a 0.3 for major and a 0.5 point for a saving after three points," Mr Toh explained.

"On top of well aligned incentives, the management takes a keen interest in the personal affairs of its workers through one-on-one sessions. An overwhelming number of foremen, hailng from seven countries, including India, Thailand and Myanmar. "Help them resolve their headaches at home, and they will crack their brains for you at work," Mr Toh spits.

Regular staff meetings are held to communicate management goals, and the staff is frequently consulted. Mr Toh explains: "Being at the top, you always have to look to the ground for support. Otherwise, they offer the simplest solutions which work."

To achieve maximum leverage on its human resource investment, the company is committed to investing in state-of-the-art technology and know-how. For instance, in 2009, it obtained over $500 million worth of the latest technology used in sewer rehabilitation. Employees have also been sent abroad to acquire knowledge and skills in the rehabilitation and laying of large pipes.

Mr Toh says that he always tries to re-use the equipment for new engines and has a deep respect to use the best hands-on approach. Likewise, employees at Ley Choon are trained to be all-rounders armed with multi-skill sets. This provides the crucial flexibility in deploying human resources to meet specific client needs.

Ley Choon’s continued thrust towards acquisition and adoption of cutting-edge technology and expertise equips its well-managed workforce to be ever more productive. Its technology leadership translates into both significant cost savings and a key differentiating advantage.

Ley Choon also enjoys cost efficiencies and other synergies benefits from diversification. Mr Toh explains that the diversification was very much driven by circumstances. It had begun with the incorporation of Mulberry Developments and Construction Pte Ltd in 1994 to provide road reinstatement services required after pipe-laying work. Its asphalt plant was constructed in 2007. Meanwhile, it has also established sand exports to Shanghai. "The plant allows Ley Choon to reduce its direct materials costs and further strengthens its competitive edge."

Pipe-laying still remains the core business of the group, accounting for 60 per cent of turnover. However, a keen eye for acquisition opportunities, facilitated by its low-cost reputation, has enabled Ley Choon to move into the one-stop solution provider that it is today. In 2009, Ley Choon built a construction waste recycling plant at Bishan Recycling Park. "We believe sustainability will be a key industry parameter in the future and we’re looking into consolidating our advantage," explains Mr Toh.

"Whatever the future may be, one thing remains certain - Ley Choon will not be leaving its people behind."

Mr Toh says that his employees have their headquarters at home, and they still crack their brains for you at work. An overwhelming number of Ley Choon’s employees are foreigners, hailing from seven countries, including India, Thailand and Myanmar.