## **Productivity Indicator 5: Improving Product** Compliance and Safety with Scrap Reduction



## **Research Description**

In this research program, almost 90% of Singapore small and medium-sized enterprises have expressed the need to produce consistently high-quality products, regardless of the market and internal forces affecting demand, suppliers, pricing, or distribution channels. This will be the key indicator to accomplishing revenue and profit goals. Manufacturing SMEs wishing to dominate or capture the chosen markets needs to have their core strength and capability built to deliver exceptionally high levels of quality in their products on a consistent and continuous basis. Compliance is the competitive strategy of making sure every product produced every day will exceed customer expectations and, as a result, drive up sales and profits.

## What You Will Learn (subject to change)

- How to improve product conformance at the process Level
- How to create a culture of quality in supply chains
- The importance to synchronize inspections and audit data to supplier rating
- How to develop a comprehensive preventative action plan
- •How to use, create and post audit benchmarks to manage quality in the supply chain

## **SME Survey Data Finding 5**

From the 2011/2012 survey of about 50 small and medium-sized enterprises, the results indicated only less than 40% of respondents have a recall or rework rate of more than 10 to 20 percent, while the remaining majority citing less than 5 percent scrap rate.



