



Driven with P.R.I.D.E

People Excellence Award

JUMB  TM
GROUP OF RESTAURANTS
珍宝餐饮集团

Foreword

2015 was a significant year for JUMBO. We became the first F&B group to be conferred the **People Excellence Award**. This award is a strong endorsement of our systems and processes we have put in place to attract, develop and retain our employees.

Spanning almost thirty years, JUMBO's sustainability journey has been dynamic, marked by an ever-evolving set of challenges and opportunities. We recognize that our success rests on the shoulders of our 700 employees. This is tied to their innovation, pursuit of excellence and commitment to upholding our corporate values. Our employees are our sustainable advantage.

We have created a culture that embraces diversity, drives inclusion, as well as empowers and engages our employees. We provide our people with opportunities for professional growth, and we reward their efforts to take themselves to the next higher level of performance.

While the F&B sector has been plagued by a severe shortage of workers, we have been developing processes and programs to strengthen our ability to grow our human capital.

All these shape how JUMBO operates its business. The results we see continue to motivate us. As you will read in this report, our unrelenting emphasis on clear vision, robust processes, building talented team and culture of excellence have been the key drivers for our success.

Being conferred the **People Excellence Award** inspires us to dream bigger, work even harder and spur us forward to greater heights of success and achievements in our people strategies. We are now very excited to write the next chapter in our company's evolution.

As we celebrate this key milestone, it is important that we recognize and acknowledge the efforts and contributions of our employees who make a difference in their work. Many of our achievements have been made possible by their passion, commitment and hard work. On behalf of JUMBO Group, let us extend to them our gratitude and deepest appreciation.



Mr Ang Kiam Meng
CEO and Executive Chairman
JUMBO Group Limited

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Leadership

01 Leadership

1.1 Senior Leadership



A. Develops the organisation's mission, vision and values, and communicates them to key stakeholders

Mission: To provide quality food and services at great value in a comfortable and friendly environment.

Vision: To be the leading innovative F&B group advocating Singapore food culture.

Values:

Passion - We are passionate in delighting customers, enthusiastic in our service and excited about our food

Respect - We show respect for one another through our behaviours, communication and practices to strengthen teamwork. By treating employees with respect, they will have a higher regard for customers

Integrity - We maintain integrity by promoting transparency, honesty and delivering what we promised

Diligence - We practice diligence through hard work and discipline in order to deliver quality to customers and achieve success

Excellence - We aim for excellence in all we do through continuous learning and innovation to keep customers happy and keep them coming back for more

Communication to key stakeholders:

- **Employees:** Mission, vision and values are communicated to all new hires through the New staff Orientation programme. This is so that employees are clear of the organisation's purpose, allowing them to integrate into the organisation easily and effectively. Besides that, handbook briefings are conducted periodically to reinforce and educate organisational values for all employees. Collateral displays like posters, memos and notice boards are also used to visually communicate and reinforce the organisational mission, vision and values.
- **Other stakeholders (Customers, General Public, Suppliers, Media, and Government Agencies):** For our Rewards Members, the company's Quarterly newsletter, Wok's Up, is received either through email or hard copies in mail. For the public, the newsletters are also available in our outlets to keep them in the loop of latest happenings as well as the company's values and goals. They can also obtain information of the company anytime through our Corporate Website, where there is an online archive of data that can be easily referenced.

B. Engages key stakeholders to drive the organisation's performance

- **Employees:** During the bi-annual appraisals, a review between the employee and the superior will be held to discuss and review assigned responsibilities. Throughout the appraisal process, employees are encouraged to engage in an open-dialogue and they can propose to attend trainings that help them perform better at work. At the end of each review session, employees and managers will set goals that they mutually agree on, creating a collaborative effort between employees and managers to improve both individual and organizational performances.

Besides that, employees with exemplary performances are also recognised at the annual Dinner & Dance, where awards like Service Star and Kitchen Star are presented to staffs who have excelled in their respective areas. This serves to reinforce behaviours that are aligned with the company's goals and motivate employees to do well. Besides our employees, we also offer bonuses to Casual labours, as we believe that they are a pool of people who can bring in new ideas and help drive performances with their skills and experiences.

Also, leadership development programmes like LEAD and Fast Track allows identification of individuals who show high potential and make valuable contributions to the organisation. The programmes aim to accelerate their growth which in turn drives the organisation's performance.

- **Customers:** Feedbacks are gathered through various channels to obtain insights and opinions of customers to assess our strengths and areas of improvements, so that we can continuously provide quality and satisfying service. For instance, customer feedback forms are given at our outlets to proactively gather opinions of our customers. To incentivise our customers to share their experiences with us, three customers are picked to win dining vouchers every month.

Before the launch of new dishes, Rewards Members are also given special invites to our Gala dinners for a food-tasting session. The annual Rewards Members Appreciation Night is also held to thank them for their support of JUMBO. These initiatives seek to actively build engagement, maximise customer retention and ultimately build up brand loyalty.

- **Media:** Besides inviting Media representatives to food tasting sessions, the company also welcomes various means of media coverage to generate publicity. For instance, our Chef made a special appearance on Channel 8's The Sheng Siong Show to demonstrate the cooking of the Chilli Crab. With the expansion into China, the specialty dish was also featured in one of the variety shows, City 1-to-1. The media serves as powerful medium to drive performance as it gives our products instant credibility and massive exposure, which helps to capture potential customers in the market. Besides that, we also published press releases of important events to garner attention. When JUMBO was awarded SME Employer of the Year 2015, reports from various news outlets also helped to build awareness and raise the profile of the company. In all, the media is engaged to enhance public relations and to make connections with other stakeholders.
- **Suppliers & Business partners:** Since they provide essential goods and services to the business, the company believes that building relationships with our suppliers and business partners are as important as building relationships with our customers. Hence, we often invite them to company events such as the popular JUMBO Golf Challenge and our annual D&D. This seeks to create networking opportunities and build personal rapport with our suppliers and partners. Such engagement and maintenance of relationship is beneficial to the company in the long-term and is essential to the business' health and growth.
- **Government agencies:** Finally, the company also engages government agencies through various grants and subsidies schemes to enhance performance. For instance, BrandPact by SPRING Singapore involves the adoption of branding as a strategy for business competitiveness. Under the initiative, the company redesigned its logo for a brand identity and professional look that matches our service. We have also tapped on the Customer-Centric Initiative (CCI) to develop service excellence and enhance service delivery. Besides that, we also engage educational institutions for internships and scholarships to recruit new blood who can offer fresh and novel insights to the company. It also provides opportunities for the company to assess potential candidates for future employment. We work with International Enterprise (IE) Singapore closely and with their grants to explore overseas opportunities, in our internationalization effort.

C. Act as role models and grooms future leaders

Understanding the importance of building a solid bench of future leaders, current leaders adopt the mentorship approach to groom young talents. They leverage on their experiences and knowledge to offer advice and guidance to more junior employees. With support of the mentors, protégés are able to develop their potential, navigate successfully in the company, and ultimately contribute to achievement of organisational goals. Leaders are also actively grooming future leaders through programmes like Fast track and LEAD programme. The 12-month fast track programme is designed to identify high potential employees and advance them quickly through the ranks. On the other hand, LEAD is a customized programme that aims to equip managers and supervisory staff with managerial and leadership skills. Besides that, scholarships are offered to promising young students who have a passion for the F&B industry, thereby securing our leadership pipeline for the future.

In JUMBO, our leaders embody the organisational values and demonstrate them through their actions. For instance, as we encourage team building, leaders

show their support in staff activities like Dinner & Dance, and staff parties like the Mid-Autumn karaoke celebration. As we encourage employees to lead a healthy lifestyle, leaders also actively participate in sports events organized.

As mentioned, the company's vision is to be the leading innovative F&B group in Singapore. Hence, leaders are open to Innovative ideas and encourage creativity. For instance, The JUMBO Culinary Challenge is held to allow kitchen staff to design their own dishes and these creations are given opportunities to be launched in the restaurants. Also, since we emphasize on providing utmost quality service for our customers, leaders also exemplifies this through understanding the needs of their internal clients, employees. By serving the needs of our employees well, it encourages employees to serve our customers well. By modelling behaviours, leaders inspire other followers to adopt values of the company, eliminate differences among individuals and motivate everyone to work towards the same goal.



D. Reinforce values and demonstrates behaviours that value people and talent

Our values are reinforced through many events and activities in the company. Most fundamentally, collateral displays like posters, memo and notice board are used to visually communicate and reinforce the organisational culture. More importantly, we seek to bring the culture to live through behaviours. During roll calls, for example, staff would pick an organisational value (e.g. pride or integrity) to share about when a colleague or even themselves exemplifies the value. This gives employees an opportunity to consciously think about the values and what it means to them while allowing people to receive recognition at the same time.

JUMBO demonstrates behaviours that value people in countless number of ways. For example, through provision of uniforms and shoes, we seek to foster a sense of belonging and pride in the company where employees will be happy to work. We also place utmost importance in our people's safety and health. Understanding that employees need to withstand long hours of standing and walking, we make an effort to ensure herbal tea is brewed for all staff twice weekly. In addition to providing staff meals for all employees, JUMBO initiated a

'Fruits Day' every Wednesday, where the company will distribute an assortment of fruits to encourage healthy eating habits for employees.

Employees who receive compliments from customers for their exemplary performance are rewarded with compliment vouchers. Consistent high-performers are recognised during performance appraisals and awards at D&D. Our Wok's Up newsletter will also feature various employees who are outstanding in their respective fields, allowing them to feel valued and recognized by the company. In addition, we want our employees to know that their opinions are important, and our staff suggestion box is an initiative by which employees can make themselves heard.

Individuals with high potential for leadership are also put on board programmes like Fast Track and the LEAD programme. Through Scholarships, the company engage individuals who are passionate about the F&B industry and who show diligence and excellence in their academic work. These initiatives serve to manage and retain our talents.

1.2 Organisation Culture

A. Enables learning, innovation and achievement of strategic goals

At JUMBO, we have developed a strong learning culture, where employees are encouraged to constantly upgrade their soft and hard skills that help them grow professionally and personally. The company offers a wide range of internal and external training programmes to equip them with skills and knowledge essential for work performance and advancement. Staff who wish to further their studies and grow in their respective fields are also provided the financial support to do so. Besides implementing training programmes, we also want to ensure that learning is successfully transferred from training to the workplace. Hence, managerial support is given to employees to ensure that there are enough opportunities to practice skills and develop self-efficacy to perform. Mutual learning opportunities are also created when employees based in Singapore undergo stints at our Shanghai outlets, and vice versa.

Employees not only learn what is within their job scope, they also learn things that expand their capabilities. This seeks to help employees to be adaptive and innovative in the ever changing work environment. Innovation is also encouraged through the JUMBO Culinary Challenge that encourages kitchen staff to be innovative through creation of new dishes. The healthy competition among teams seeks to generate novel ideas that can improve organisational performance. The management is also open to new ideas that propels the organisation forward, as can be seen from the introduction of online registration processes, wireless ordering systems and the upcoming Cardless membership system.

B. Nurtures and recognises the potential of every employee

In bi-annual appraisals, employees' performances are evaluated based on objective standards. For supervisors and managers, they will also be assessed through the 360° performance appraisal to obtain feedback from both their subordinates and superiors. This is a platform to allow employees and the supervisor to discuss and review assigned responsibilities. This gives employees an opportunity to be involved in the appraisal process and to voice out their

opinions and concerns toward their jobs. It is also the time when supervisors and managers highlight and recognize strengths and accomplishments of staff, as well as provide feedback on the areas of improvement and provide counselling for poor performers.

At the end of each review session, employees and managers will set goals that they mutually agree on, which serves as an evaluation standard for the next appraisal. This creates a collaborative effort between employees and managers to find out what the employees' career desires are, help them create action plans, and follow their career progress throughout the year.

While appraisal procedures help to recognize and assess the potential of employees, trainings help to nurture them. The company offers structured developmental programmes (e.g. Fast Track and LEAD) to groom employees with high potential. In addition to in-house training courses, employees also have the opportunities to attend external training that match their job needs.

1.3 Corporate Governance and Social Responsibility

A. Establishes a governance system to ensure accountability and transparency

The company has established Standard Operating Procedures and defined Employee code of conduct. These policies are documented and communicated to employees to promote and guide responsible decision-making. For instance, to avoid conflict of interests, staffs are expected to make declarations when they receive any gifts while on duty or if they have friends or relatives working in company. To ensure employees fulfil their responsibility to safeguard the confidentiality of any information acquired during the course of their work, they are also required to sign the Non-Disclosure Agreement.

In addition, the Enterprise Resource Planning (ERP) system JUMBO is in the midst of implementing seeks to provide an integrated view of procurement and payment processes. This ensures that transactions are clear and transparent to all relevant departments, building accountability and clarity.

All our outlets (including our Central Kitchen) are HACCP-certified. This provides an overarching set of guidelines that inculcates a sense of social responsibility in our employees to handle food in the safest and most hygienic ways. This is reinforced by the implementation of in-house hygiene courses, with internal and external audits conducted to ensure compliance. In addition, our company only orders stock from suppliers who are licensed by the relevant authorities.





Customers

02 Customers

2.1 Customer Requirements



A. Incorporating market and customer requirements into the strategic plan

At JUMBO, our mission is to provide quality food and services at great value in a comfortable and friendly environment. We believe that exceptional customer service begins with understanding our customers' needs and expectations. Hence, gathering of such information is not an annual affair but one that is a constant process. In particular, we have employed a range of techniques to listen to our consumers so we can continually improve their dining experiences with us. This ensures that as the company moves ahead, market and customer requirements are incorporated into the strategic plan. Understanding our customers also help us to identify opportunities and enhance our value propositions. As such, avenues for feedback are readily available for our customers so customers are encouraged to engage in dialogues with us. The following are some key tools that the company has utilised to gain insights on consumer's needs and preferences:

- **Social Media and Networks:**

Customers can provide feedback through the company's corporate website or email us any suggestions, compliments and complaints they may have. Alternatively, they can also make use of social media platforms such as Facebook to post comments, ask questions, send messages and answer poll questions. This allows us to reach a large number of people quickly and conveniently. Besides that, we also analyse user-generated reviews online to help us better understand customers' experiences. For instance, we tap on food review portals such as Hungrygowhere, where diners review and rate our products and services. TripAdvisor, a site where travellers exchange views on the best places to travel and dine also allows us to capture cross-cultural differences in our customers. These information are tracked by our Public Relations partner who would notify us once there are any comments or mentions posted on these social networks.

- **Reaching out directly:**

In addition, the company also makes an effort to reach out to our customers directly. For instance, the Marketing Team conducts survey directly with customers, giving us the opportunities to speak to customers personally and obtain information about their demographics. This serves as an important source of understanding customer's needs and preferences.

- **Market Surveys Research:**

We also collect research data that help us understand customer's needs in greater depth. Research data sheds light on emerging trends that allows the company to identify opportunities in the market, and this is essential in formulating the company's strategy. It also helps us analyse the needs of our current and potential customers, so we can design our products and services to meet those needs.

For instance, we had partnered external parties such as AC Nielsen and Ngee Ann Polytechnic to conduct research on customer's dining behaviour and experiences. When the new trend of hotpot dining concept was emerging, we researched on how consumers' tastes are changing, who are our potential customers etc. Coupled with input and analysis of our staff, we successfully created the JPOT brand specially catered to local taste buds.

- **Employee Feedback:**

We recognise that our ground staffs are the people who have first point of contact with consumers and are in a good position to provide feedback in customer's point of view. Hence, we involve them in food tastings sessions to improve quality and presentation, and to determine the price before launching a new dish. This not only allows our staff to be equipped with the product knowledge so they can better give recommendation to customers, they also help to reflect customer's receptivity and response regarding price and quality of products.

All in all, we always strive to be clear of what customers want from our business so we can fix problems and identify opportunities. Through information collected and analysed, we are able to generate ideas and strategic plans for the long term. For instance, as consumers are increasingly tech-savvy, strategic plans to automate processes are in the pipeline to address growing demands for multi-channels of communication.

One such initiative is the use of mobile applications and devices. For instance, the Reward portal of membership allows customers to reserve table, update membership information, do redemption, purchase voucher, and give feedback. A Customer Relationship Programme system would also be developed to monitor the frequency of customer dining, customers' needs and their dining / spending behaviours. The new system enables data mining and allows us to track effectiveness of promotions and determine how well customers respond to the different promotions techniques. We will continue to create new ways to interact with customers and refine their experiences.

2.2 Customer Experience



A. Ensures customer feedback is resolved and analysed to drive improvements.

As mentioned, the company has in place several channels for customers to provide feedback on how we can serve them better. More importantly, we view all feedback as a way to improve ourselves, our products and our services. Hence, we ensure that every piece of feedback gets a response, whether it is negative or positive. Specifically, we have a close-looped feedback control process to manage all complaints and feedback effectively.

All feedbacks and enquiries are responded within one working day and complaints are investigated with follow-up within two working days. In particular, root causes of problems would be identified so our Operations staff can take corrective actions and preventive measures. For example, if we receive complaints about the way our staff communicated with the customer, we share the issues with the Operations and Training team so that relevant departments can work together to improve on customer service language. Such critical incidents are also used to develop case studies for training our service crews.

On the other hand, positive feedbacks are followed up with personalised emails, thanking the customers for sharing their experiences with us. The emails will also be forwarded to the employees complimented to motivate them to keep up the good work. This will help us identify best practices and exemplary service standards. The ultimate goal is to develop a continuous learning process that helps us drive improvements and serve our customers better.

An upcoming programme to gather Customer's Feedback occurs at two different levels. Firstly, customers will receive a SMS on a feedback notification after they left the restaurant. They have to choose from four different expression faces to determine the service level they experienced earlier on. As compared to waiting for customers to feedback to us, this is a more pro-active approach to gather opinions. Secondly, when the Marketing team receive negative feedback in a particular outlet, mystery diners will be arranged to conduct a check on the quality of service. Different from the current Mystery Diner's programme that audits service against the Standard Operating Procedure, this programme is based on a different set of criteria. Specifically, measurements place more focus on customer's experiences and affective components.

B. Provide access to customers to seek assistance and information to enhance customer experience.

We ensure that customers can contact our business easily and in multiple ways. Customers are able to get information they need from various sources and regardless of the way a customer chooses to engage our business, our channels are always open, consistent and user-friendly. Many of the processes are online and automated to ensure services and information is available anytime, and to enhance speed and accuracy of responses.

Access to Information

- **Helplines:**

Customers can call our customer service for enquiries during operations hours. The marketing department also assists with updates of information and receipt of feedback.

- **Websites:**

The corporate website contains information regarding our mission, vision, values, press releases and ongoing promotions. This allows customers to get a better understanding of our business and obtain information conveniently. The one-stop portal also allows users to Register, Update information, Renew membership, Redeem, Purchase GJV, Check points, View past history transaction and make Bookings online. It also has links to the individual websites of our different brands, where the respective opening hours, menu, addresses, specific promotions can be assessed anytime.

- **Mailers and Newsletters:**

Another way customers have access to information would be through regular mailers on current promotions. The company also makes our newsletter, Wok's Up, available online to keep members in the loop and improve communications with customers. In the newsletter, we provide them with the latest deals, upcoming events and recent happenings in the company.

Access to Assistance

- **Online-reservation:**

CHOPE system is an online reservation system that allows our customers to make real-time bookings and is available 24/7. Instead of waiting in line for a queue number or ringing the customer service to make a reservation,

customers can now make instant reservations at our selected restaurants anytime and anywhere. To assure customers that reservations are successfully made, customers will be sent an email confirmation immediately. A day before the dining date, the system will also send a SMS reminder. This enhances customer's experiences as it provides customers assistance in an efficient and fuss-free manner.

- **IPad Ordering System:**

The iPad ordering system at selected outlets has been used to enhance speed and accuracy of order-taking. Due to the nature of dining concepts like hotpot, customers at our JPOT outlets are more likely to re-order food and ask for re-filling of broths. However, our staff may not be able to promptly respond to customers during peak periods where there are higher consumer traffic. Consequently, service expectations are sometimes not met when diners fail to get the attention of service staff.

To make customer interactions and food preparations faster and more responsive to customer's needs, we have utilised the iPad as a self-ordering tool. Customers are now able to choose their food and beverages on the multilingual and interactive menu, accompanied by vivid photos and useful functions like checking their bills. This provides both information and assistance in a fun and unconventional way. Orders will then be sent to the kitchen immediately for preparation and delivery. This frees frontline staff from the otherwise tedious order-taking, and allows servers to manage more tables and devote greater attention to customer service.

C. Empowers employees to meet customer needs. Outlet managers given autonomy to deal with customers.

Since frontline staffs providing customer service are the bridge between customers and the company, we value their input as they are often in the best position to spot service glitches and identify ways of improvements. Hence, employees are empowered and encouraged to find solutions to customer problems. For instance, we have put in place an online reservation for our annual JUMBO Golf Challenge where people get a confirmation response within a day instead of a week when using the manual system. This system has greatly boosted efficiency of the registration process and is a direct result of frontline employees' involvement. When ideas as such are being implemented, it serves as a positive reinforcement for employees, giving them



confidence that their contributions can make a difference. With the increase of morale and motivation, we believe customer service will also improve.

In addition, restaurant managers are given certain latitude to solve customer's problems that allow for judgement and discretion. For instance, managers have the autonomy to replace unsatisfactory dishes, offer discounts to customer and waive certain charges. Such autonomy gives employees the flexibility in the way the serve customers and encourage them to take responsibility in providing service. It also aligns employees' priorities with the company's and builds customer loyalty and satisfaction.

2.3 Customer Satisfaction

A. Sets and deploys performance standards for people and processes involved in the customer response chain. There are performance standards for employees in the customer responses chain and they are monitored through different channels to ensure satisfaction and loyalty.

- **Setting Performance Standards**

Recognising that the interaction between our staff and the customers can make or break relationships, we consistently monitor, measure and manage the performance standards of our people and processes. Processes involved in the customer responses chain are defined and documented in the Standard Operating Procedures and staff are expected to follow them. This helps us reduce errors and maintain quality standards across our outlets so customers know that they can rely on our services or products. SOPs also ensure that all clients are treated fairly and equally, which in turns enhances their experience with us.

- **Deploying Performance Standards**

All employees providing customer service are trained to perform the aforementioned SOPs involved in serving our customers. All new hires are required to undergo a mandatory WSQ course, where they are trained to perform an array of tasks, from setting ups of tables, maintaining professional appearance and attitude, addressing concerns and serving customers with 5 Ps (Passion, Positively, Proficiency, Prides, Pro-Activeness).

They are also taught how to perform hosting duties, including how to handle enquiries and reservations, handle guest arrivals and departures, provide good answering phone call techniques to customers when taking reservations and replying customers' menu reservations through email in a professional manner. These training equip our staff with skills and knowledge to serve our customers and in turn ensure a positive customer experience.

Monitoring Performance Standards

- **Customer feedback:**

Direct feedback from customers help us highlight problem areas and best practices. The marketing department tracks both negative and positive feedback from customers which are used to prompt improvement plans. As mentioned, all feedback from customers will be investigated with follow-up within 2 working days.

- **Performance Appraisals:**

Performance appraisals are conducted twice annually to identify strengths and weaknesses of employees. Staffs are evaluated against their Key Performance Index such as demonstrating good conduct, work efficiency, attentiveness, and adherence to 5S and HACCP standards. Discussion will also be held between staff and manager to identify ways to improve performances.

- **Mystery diners:**

Mystery diners are engaged to perform transactions at the restaurants and assess operating procedures. By reporting from guest perceptions and experiences, they help us identify gaps in expectations and take necessary corrective actions.

- **Service audits:**

For employees serving customers at the front line, the Service Audit Team assesses their performance to ensure service consistency and enhance dining experiences of our guests. This serves as another source of feedback for employees to identify areas of improvements.

- **Customer satisfaction survey:**

The customer satisfaction survey shows how the company is performing in terms of meeting customer's expectations. We invite customers to share with us their opinions in areas such as flavour and presentation of food, service efficiency and attentiveness, ambience and comfort of the environment and their overall experience with JUMBO. At the end of the survey, customers can also help to identify our star performers so we can reward the employees accordingly and reinforce best practices. The survey helps us to monitor our service standards and also understand differing customer attitudes. This seeks to manage customers' satisfaction, maximise customer retention and ultimately build up brand loyalty.

03 Strategy

3.1 Strategy Development

- A. Determines organisational challenges and anticipates external changes and risks (eg regulatory policies and demographics)**
- B. Develops strategic goals, and long and short term strategies to address the vision and mission**
- C. Engages key stakeholders in the strategy development process**

3.2 Strategy Implementation

- A. Develops and implements long and short term action plans (eg strategic plans, operational plans and marketing plans)**
- B. Allocates resources in a timely manner to achieve strategic goals**
- C. Engages key stakeholders in the strategy implementation process**

Before we can determine our organizational challenges or anticipate external risks, we must first collate and consolidate the necessary information. JUMBO has five main channels by which we collect data:

- ❖ Customers—we are able to better understand the changing tastes, preferences and needs of various demographics through feedback and customer interaction
- ❖ Suppliers—through procurement channels and relationships forged with our suppliers, we can identify and pre-empt any changes in stock levels
- ❖ Government, trade and F&B organizations—our direct involvement with organizations such as MOM, SPRING Singapore, RAS etc. also serve as a platform for gathering new knowledge about changes in policies and regulations
- ❖ Market research and observation—this allows us to collect primary and secondary data about market trends and changes, which can then be used for further analysis through conducting focus groups
- ❖ Employees—our staff provide us with valuable input and insights based on their observations on the ground, and this is done through formal meetings and roll call, or informal feedback

With the necessary knowledge to anticipate organizational challenges and external risks, we are then able to develop our strategic short and long term goals that ultimately help us to achieve our vision and mission.

Short Term Goals

- Food quality consistency—our Central Kitchen (CK) is equipped with the necessary hardware, such as customized equipment and delivery logistic capabilities to ensure that the quality of our food is not compromised in the process of delivery. Software such as Quality Assurance (QA) standards (e.g. HACCP, 5S) and the detailed documentation of recipes serve to support food quality consistency across all outlets

- Reliable service—our service standards are achieved and maintained through comprehensive training for our staff in both trade skills (such as culinary skills, customer service, IT) and soft skills (such as communication, engagement and management skills)
- Cost control—food costs are kept low through central purchasing and R&D to maximize material yield during the preparation of various dishes (e.g. by exploring how ‘unwanted’ ingredients can still be put to good use), while greater automation helps to improve productivity even with the same number of workers. Rental costs are kept to a minimum through extended negotiations and nurturing good working relationships with our landlords. Furthermore, the CK enables us to maximize revenue-generating space by freeing up greater seating capacity at our restaurants
- Enhanced dining experience—we organize overseas learning trips for our management to observe the best practices adopted by restaurants internationally, thereby allowing us to apply it back home in order to refine our dining concepts, processes and overall service culture. For example, we provide coat covers, bibs and phone pouches for our diners as part of our customer care culture

Long-term goals

- Bringing chilli crab to the world—by which, we mean to use our iconic chilli crab dish as a larger symbol for the entire Singaporean seafood culture. This is achieved through continuous culinary innovation (through R&D and our internal culinary challenge) and product innovation, such as the creation of our retail pack and new dishes to reach out to an ever-increasing international audience. Our CK also ensures consistency in food products and the standardization of sauces thereby enabling scalability, which in turn supports our overseas expansion. We also invest in scientific exploration to ensure the quality of our crabs, and to develop the possibility of crab farming so as to increase supply independence and reduce reliance. Furthermore, we are continuously expanding overseas due to the increasing popularity of South East Asian cuisine, and tapping on opportunities in other lucrative markets such as the cosmopolitan city of Shanghai, which has a large market size almost five times more than that of Singapore. The Shanghainese are also an affluent society with good spending power and a strong receptiveness to international cuisines.

Engaging Key Stakeholders

- Employees—we identify and groom high potentials to ensure that we have a strong team of staff that are able to support our expansion plans
- Customers—through our feedback channels and customer interaction, we can align our strategies with customers’ needs and preferences, consequently allowing us to expand into different dining concepts and markets. We have also built an international brand identity such that local customers recognize JUMBO as a Singaporean brand even when visiting other countries, and thus feel a sense of affinity
- Suppliers—we develop strategic collaborations with our existing suppliers so that they will support our new overseas markets. We also open overseas outlets where our current landlords have existing overseas presence



People

04 People

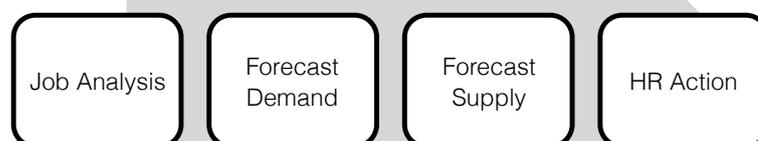
4.1 Human Resource Planning



Due to the inherent characteristics of the service sector, service excellence has been an important source of differentiation for many F&B establishments. As it follows, the people who are offering these services hold the keys to success, and it is pivotal to have a firm commitment towards effective Human Resource (HR) management. As the company continues to expand domestically and regionally, there is a growing demand for employees who possess the capability to deliver quality service.

However, shortage of labour in Singapore's F&B industry has often been attributed to the irregular working hours and negative connotations associated with lesser compensation and prospects. The industrial resignation rate was 4.3% in 2013, the highest of all industries. The shortage of manpower coupled with the high turnover rate translates to increasing challenges in staffing decisions. Consequently, HR planning is required to respond appropriately to changing business needs, ensuring that we have the right number of people with the right sets of skills at the right time.

A. Anticipating HR needs and developing HR plans and policies aligned to strategic goals and organizational values



HR planning at JUMBO begins with Job Analysis and building up an inventory of Job Description and Specifications, which documents the knowledge, skills, educational qualifications and experiences required to perform a job. Job analysis provides valuable information in staffing decisions with regards to who and what is required to perform a particular job. As it clarifies different roles and functions, Job analysis also provides us with an understanding of the current workforce that aids in devising HR plans to meet both short-term and long-term strategies of the company.

The second phase of HR planning entails identifying external and internal factors that affects staffing decisions. For instance, with anticipated company growth and expansion, personnel projections need to be made to determine the quantity and quality of the human capital required to fill openings. In other cases, additional manpower for replacements is also required on accounts of terminations or resignations.

Thirdly, to forecast supply, we look at both internal and external labour sources. To assess internal workforce, we look into the company's available human resources and inventory of skills and experiences to see if we have people with the right competencies to fill the vacancies. Besides that, we also look at labour force in the external market to hire new recruits.

Lastly, a comparison of demand and supply will provide a surplus or deficit that signals hiring or other corresponding actions. Once the manpower gap is identified, HR would either develop necessary competencies from within the organization or hire people who already have them to fulfil required manpower. Workforce planning and analysis is ongoing to ensure that HR strategies are aligned with business objectives and to meet current and future manpower needs.

Recruitment strategies

Recognizing that Singapore has a diverse demographic profile, JUMBO adopts fair and non-discriminatory practices in employment, based on merit such as possessing required skills, abilities and knowledge to perform job. Employees are treated consistently without regards to race, age or gender. At JUMBO, we embrace and value diversity, abiding by the 5 principles of fair employment practices set out by TAFEP.

We work with a number of educational institutions to tap on a pool of potential employees, for example, the ITE Traineeship programme aims to attract Secondary School leavers who have a passion to join the F&B industry. On the other hand, our Work Experience Programme allows students to gain first-hand work experience at our restaurants, while the Learning Journey provides a sneak peek into the industry. Both programmes are designed to encourage students to sign up as casual labour. The internship is a more targeted platform for assessing students' capabilities to determine suitable candidates for future employment.

To attract new applicants such as housewives and retirees to come on-board, flexible working arrangements are offered to better cater to work-life balance needs. We have introduced Part-Time arrangement, where employees work fewer than full-time weekly hours. These employees are still entitled to pro-rated benefits but have the flexibility of choosing the days they would like to work with

a minimum of 3-day week. At the operational level, we have Casual Labour in addition to part-timers—this also helps to keep our labour costs low. Casual labours are engaged on an adhoc basis, especially during Public Holidays and festive seasons to cope with the increased demands. Currently, 37% and 9% of JUMBO's workforce is made up of casual labour and part-timers respectively.

Employing Multiple Recruitment Channels:

- Recommend a friend
- Internal job posting
- Advertisements on online portal and newspaper
- Recruitment drives
- Career fairs

By adopting fair recruitment practices and employing multiple recruitment channels, we ensure that we can tap on the largest pool of potential candidates, increasing our chances of getting the best person for the job who support the organizational strategy and propel the organisation to achieve its overall objectives.

B. Identifying and Grooming Employees

As part of HR planning, JUMBO places heavy emphasis on succession planning and talent management. In particular, the company has adopted a multi-pronged approach, targeting both internal and external crème of crop. People identified should have a passion in F&B/ hospitality and demonstrate leadership abilities. We have programmes and career development planned out for identified candidates, who are provided support as they progress and will be more motivated knowing that advancement opportunities await them. Talent management plans and programmes to groom future leaders at all levels.

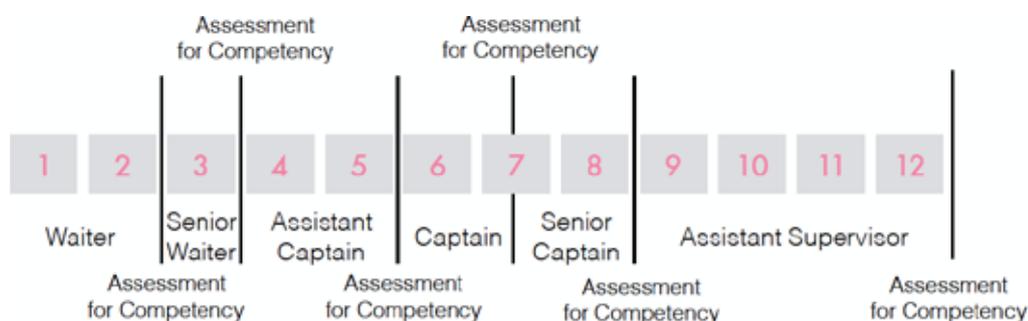
- **Fast Track Programme**

The 12-month fast track programme is designed to build a leadership pipeline and identify high potential employees for categories of positions. Reserved for the most promising employees, the programme also serves as a form of talent management. For instance, outstanding service staffs go through a series of intensive trainings that equip them with the necessary skills to assume supervisory positions within 12 months. The objective is to groom and advance employees quickly through the ranks.

Every year, there is an intake exercise in December where employees with leadership potential are identified and nominated by their respective managers to be on board the programme. These employees will go through the first round of assessment, where it is determined whether they are qualified to enter the programme based on their attitude and job knowledge. Qualified fast trackers will then begin OJT and upon completion of each phase, they will be assessed. Once they pass each assessment, they will then move on to the next level of position with increased salary for the new designation.

This programme reaps many benefits; Firstly, it supports HR planning and succession planning as it provides employees with requisite capabilities to transit and eventually assume supervisory roles in the event of resignation. Secondly, we also engage in talent management at the same time as employees see that

the company is investing time and effort in them. We accelerate rising through the ranks in the company, helping them go further and faster. As employees are able to see the career path forged for them and knows that the company recognizes their talent, it increases motivation, commitment and loyalty, which in turn increases retention.



C. Talent Management

Besides Fast Track Programme for employees, JUMBO also actively partners educational and governmental institutions to tap on external pool of candidates. Through sponsorships and investment in education, we hope to recruit new blood who are passionate in pursuing a career in the F&B industry. Till date, the company has awarded two scholarships to students from Temasek Polytechnic (Diploma in Culinary and Catering management) who has solid foundation in food products and equipped with practical knowledge of restaurant service operations and management.

Recognizing the increasing importance of human capital management and the vital role that HR plays, JUMBO has partnered Ministry Of Manpower to award the National Human Resource Scholarship to one SMU undergraduate. In addition, under the JUMBO-Spring Singapore's Executive Development Scholarship (EDS), JUMBO has also signed two scholars (SMU and NUS) in the Marketing department and one scholar (NTU) in the Accounting department, all of whom has a specialization in their respective functions. Recently, we have also offered scholarship to 1 student from Singapore Institute of Technology majoring in Hospitality Management.

With scholars in the different department, we hope to introduce new blood and develop leaders of tomorrow who can provide fresh perspectives, contribute to continued success of the company and bring JUMBO to greater heights.

D. Involvement of Line managers

Line managers have an active involvement in recruitment and supporting the workforce needs of the organisation. Firstly, they assist with Job Analysis by developing and reviewing the Job Descriptions and Specifications with their expertise. They also aid in identifying current business needs and forecasting of manpower demand with their managerial judgements. During the selection and recruitment process, Line managers also take charge to interview and ultimately select applicants who have good job-fit and organisation-fit.

4.2 Employee Learning and Development

A. Identifying current and new competencies required to meet strategic goals

To identify current and new competencies required to meet strategic goals, all employees who have completed 6 months of service participate in the formal mid-year and end-year performance appraisal. Evaluation of performance is based on objective standards, in areas including efficiency, communication and leadership. For supervisors and managers, they will also be assessed through the 360° performance appraisal to obtain feedback from both their subordinates and superiors.



A performance appraisal includes a written appraisal of the employee's performance and a meeting between the employee and the supervisor to discuss and review assigned responsibilities. This gives employees an opportunity to be involved in the appraisal process and to voice out their opinions and concerns toward their jobs. It is also the time when supervisors and managers highlight and recognize strengths and accomplishments of staff, as well as provide feedback on the areas of improvement and recommend training.

At the end of each review session, employees and managers will set goals that they mutually agree on, which serves as an evaluation standard for the next appraisal. This creates a collaborative effort between employees and managers to find out what the employees' career desires are, help them create action plans, and follow their progress throughout the year.

Throughout the appraisal process, a supportive environment emphasizing communication is created to ensure involvement and commitment from employees. Employees are encouraged to engage in an open-dialogue with their managers to discuss their concerns and aspirations.

This is also aimed at promoting professional growth and development, which motivates employees. While, review and appraisal procedures help employees to identify skills gaps and weaknesses that may be hindering their performances, training offers solutions to rectify these problems.



B. Providing learning and developmental opportunities

Besides ensuring that employees possess the right skills to perform their jobs, we also want to equip them with broader skills and increase their level of competencies. Hence, we have initiated structured training and development programmes that ensure employees receive sufficient support to attain mastery and excellence in job-relevant skills. Ultimately, this drives organizational productivity and personal growth.

- **Internal Training**

When skill gaps or needs are identified, employees have opportunities to undergo training to help them close the gaps. Internal training was established to develop soft skills and/or hard skills of employees that help them perform their work more effectively and efficiently. All trainings are conducted at the company's premise and are offered to employees without cost. Courses are customized to cater to service excellence and are delivered by our very own training team in both English and Chinese.

After every course, employees are evaluated and assessed to ensure training is effective and successful. Besides that, further trainings are conducted by the different outlets to reinforce learning. Feedbacks from employees are also collected to improve courses. Since 2008, our training centre was accredited WDA Approved Training Organisation (ATO) and ITE Approved Training Centre (ATC). This has strengthened our in-house training capabilities and allow for a series of WSQ courses and Nitec courses that are tailored made to meet our company's standard operating procedures (SOPs).

- **Work Skills Qualifications (WSQ) Courses:**

The WSQ course is a mandatory programme for all kitchen and service staff that consists of 6 In-House Modules catered for service excellence:

(i) F&B Safety & Hygiene Policies and Procedures

Equips food handlers with the knowledge and application skills to follow food and beverage safety and hygiene policies and procedures. Upon completion of course, employees will know how to practice good personal hygiene, handle and store food safely and maintain cleanliness of utensils, equipment and service/storage areas. This course is mandatory for all food handlers before commencement of work.



(ii) Preparing Non-Alcoholic Beverages

Equips learners with knowledge and skills to concoct non-alcoholic beverages. Upon completion of course, employees will know how to set up and prepare non-alcoholic beverage, reconstitute juices and beverage, brew coffee and prepare tea.

(iii) Shine @ JUMBO

Equips learners with the knowledge and application skills in maintaining safe and secure working environment. Upon completion of course, employees will know how to maintain a safe work environment, use proper lifting, pushing and pulling techniques, use equipment safely, and follow directions for handling hazardous materials.

(iv) Get Ready for Service

Equips learners with knowledge and skills in providing quality service to customers. Upon completion of course, employees will know how to check set-ups of outlet, prepare mise en place and set tables.

(v) JUMBO @ Your Service

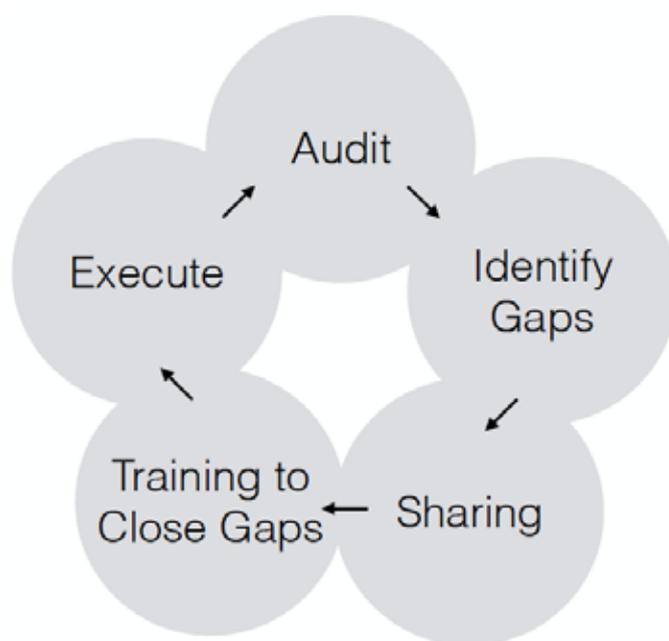
Equips learners with knowledge and application skills in interacting with guests. Upon completion of course, employees will know how to maintain professional appearance and attitude, provide quality service, address concerns and serve customers with 5 Ps (Passion, Positively, Proficiency, Prides, Pro-Activeness).

(vi) Performing Hosting Duties

Equips learners with knowledge and application skills in performing hosting duties. Upon completion of course, employees will know how to handle enquiries and reservations, handle guest arrivals and departures, provide good answering phone call techniques to customers when taking reservations and replying customers' menu reservations through email in a professional manner.

- **Mystery Diner Training**

The Mystery Diner Training programme is conducted by outlets to train employees in the basic sequence of service or Standard Operating Procedures (SOP). The objective is to develop service staff to provide consistent service standard to customers. Specifically, employees are trained to maintain operation standards such as handling call reservations, ushering customers to their seats, recommending dishes and so on.



- **Language Courses**

The Basic Conversational English (BCE) course is catered for foreign workers with low proficiency in English. These basic (30 hours) and intermediate (30hours) level language courses are designed for staff to improve their basic conversational proficiency so they can communicate more effectively with customers. In addition, we also offer Japanese Language courses for staff working at our Ramen outlet so they can create a personalized experience for customers.

- **Nitec in F&B Operations**

Employees who are outstanding in their work performance and work attitude, and who have acquired English language proficiency can be nominated by their supervisor to attend this course. The 24-month programme will introduce them to different aspects of F&B business and operations. Upon completion of the course, employees will graduate with an ITE certificate.

- **LEAD**

LEAD is a customized programme that consists of 9 modules, designed to prepare and guide employees into new level of leadership. The programme aims to equip managers and supervisory staff with managerial and leadership skills. It stands for: Leading Innovation, Enabling People, Achieving Results, Driving Alignment. The Employees are taught skills ranging from counselling to management of restaurant operations. In addition, a personality assessment is conducted to measure traits related to work requirements and predict job fit.



- **Handling Customers’ Feedback**

JUMBO takes customers’ feedback seriously. All issues brought up in the feedback from customers are tracked and used to prompt improvement plans. Specifically, all feedback will be consolidated into case studies for training. This ensures that frontline staff will be well-trained and able to answer customers’ queries or resolve their issues effectively to ensure a positive customer experience.

- **External Training**

In addition to in-house training courses, employees also have the opportunities to attend external training that match their job needs. These employees may be identified through performance appraisals or employees themselves may request for training to improve their work performance. For each department, there is a shortlisted stream of courses to better cater to their needs and identify the most appropriate courses. For employees who are identified as having leadership potential, they may also be recommended by the superiors to attend leadership courses to prepare them for the next role. For instance, the Dale Carnegie programme is designed to equip employees with management skills to become better leaders, maximizing their contribution to the company. JUMBO is currently the only F&B Group that invests in this annual in-house course for identified leaders. Other external courses that employees have attended include one day-courses such as Managing Challenging and Difficult Employees, Revenue Management, Effective Interpersonal Skills in Managing Employees and also more in-depth courses like HR Graduate Certificate.

In addition, JUMBO also provides support for employees who wish to further their studies in work-related areas by assisting them with education costs. The employee signs a bond with the company for a bond period (1-3 years) depending on the nature and length of the course undertaken. The sponsorship is aimed at enhancing skills and knowledge that enables personal and professional growth for employees.

All in all, the above internal and external training initiatives ensure that employees are equipped with the right set of skills and competency to perform their job. This facilitates the continuing development of employees' potential, help them to deal with changing demands of work environment and also support them to attain job mastery. With increased confidence and self-efficacy to perform their jobs, employee motivation and satisfaction will be greatly boosted. Consequently, it contributes to retention of staff.

C. Inducting new hires and existing employees who are given new functions

Training begins right from the employee's entry to the company. To ensure smooth transition to the new work environment, all new hires participate in the New Staff Orientation programme which stretches from 1-5 days depending on the designation of the hire. A tour is first conducted for employees to visit the corporate office and various outlets across the island to familiarize themselves with JUMBO's brands, key personnel and contact persons. The company's history, visions, mission and policies will be introduced and employee handbooks are given to clarify entitlements and expectations. In addition, for the first few weeks of employment, an Orientation Officer will schedule 3 to 4 follow-up meetings with the employee to discuss work progress, answer queries and act as a liaison between managers and the employee.

The New Staff Orientation programme serves to orientate the staff and establish effective working relationships. It enables the new hires to have a good sense of "what the company is about" and get off to a good start. At the same time, it fosters understanding of the company's culture, induces feelings of belonging and in turn, boosts morale. By helping employees to be better adjusted to their new role, it also increases retention.

For new hires and existing employees who are appointed new functions, they will undergo structured On-the-job training (OJT) to fulfil a task list within a period of 4-16 weeks depending on their designation. This is designed for all designations to ensure staffs are equipped with the essential skills and competencies needed to perform their jobs. They will also understand what is expected of them and be provided with sufficient coaching and guidance from their supervisors. Training progress is monitored and documented: on a regular basis, all employees are given informal feedback, counselling and advices from his/her supervisor to ensure they obtain adequate and timely feedback on their daily performance.

To effectively assess the employee's performance, all trainings are followed with review sessions by managers as well as the training team. For employees serving customers at the front line, the Work Improvement Team assesses their performance to ensure service consistency and enhance dining experiences of our guests. This serves as another source of feedback for employees to identify areas of improvements.



4.3 Employee Engagement and Well-being

Many studies have shown that beyond monetary compensation, critical factors to retention are employee's satisfaction and well-being at work. Hence, over and beyond statutory requirements, JUMBO goes the extra mile to ensure employee's welfare and benefits are looked after. We believe in rewarding and showing appreciation for employees and making them feel happy working in the company. This year, we were named the SME Employer of the Year (2015) and successfully achieved a retention rate higher than the industrial average.

To keep up with changing needs of employees, these programmes are periodically reviewed with the collection of survey data and during monthly visitations. This is so we can identify strengths and weaknesses, and get ideas from employees on how the company can provide welfare that better cater to their needs. We also strive to create a sense of belongingness, increase morale, motivation and ultimately increase loyalty to the company. We have in place a comprehensive welfare programme that is broadly divided in 3 categories: Workplace well-being, Team-building and Employee support schemes.

Workplace Well-being

- **Employee Hostel**

To attract and retain foreign workers who constitute a large proportion of its workforce, JUMBO provides hostel accommodation to employees at a low cost. The hostel has 13 air-conditioned rooms and each room is shared by 2 to 4 people. Facilities provided include bathrooms, washing machine, dryer, microwave, cooker, iron and Wi-Fi. A cleaning lady is hired to clean the hostel thrice a week and HR also conducts audits at least once every month to ensure maintenance and housekeeping are in place. This is aimed at alleviating financial burden of renting rooms outside at higher rates, while providing opportunities for workers to get acquainted with other colleagues working in the same or different outlets. In addition, employees can foster friendship in a foreign country and provide support for each other.

- **Uniform and Shoes**

All operational level employees are provided with 2 sets of uniform and a pair of shoes which can be exchanged for new ones if worn out or torn. Uniformity is aimed at making employees feel that they are part of the team, foster a sense of pride in the company and consequently increased loyalty.

- **Workplace Safety**

JUMBO places utmost importance on employee’s workplace safety. Not only do we provide anti-slip shoes and non-slip mats in our restaurants, we also conduct Risk Assessment on a yearly basis. All employees are also enrolled in the in-house training SHINE @ JUMBO as described earlier. We also adhere to 5S standards.

- **Healthy Eating**

JUMBO is also concerned with the health of employees. Understanding that employees need to withstand long hours of standing and walking, we make an effort to ensure herbal tea is brewed for all staff twice weekly. For instance, drinks like Luo Han Guo and Barley is often brewed to help expel excess heat and soothing of throat.

In addition to providing staff meals for all employees, JUMBO initiated a ‘Fruits Day’ every Wednesday, where the company will distribute an assortment of fruits like apples, oranges to employees. This is to encourage healthy eating habits for employees.

- **Healthy living**

Throughout the year, HR organizes different recreational activities that employees can participate in during their lunch breaks. For instance, we have organized sports like basketball and badminton, as well as dance like line-dance and zumba. This replaces caffeine as a mid-day pick-me-up and enhances their performance later. It also helps to reduce overall stress and tension, which is crucial for the mental and physical well-being of the employees. The activities provide employees with a lunch-hour escape that turns bland breaks into fun workouts, which also promotes healthy lifestyle among employees at the same time.

In addition, the company arranges health talks to ensure employees are informed about various health issues. We also conduct health screenings to help employees actively managing and improving their own health. Besides that, although medical Insurance is only mandated for foreigners, JUMBO extends this benefit to all our staff including the Singaporeans. All employees are provided insurance coverage for hospitalization and surgical procedures. These initiatives are designed to let employees feel valued and appreciated, that the company has a vested interest in their well-being, which in turns boost morale, satisfaction and increase retention. Furthermore, we consistently review our healthcare package to ensure that we are above industrial practice.

Benefits	Before Review	After Review
Dental Benefits	None	\$100
Outpatient Subsidy per visit	\$25	\$35
Medical Insurance	\$15,000	\$20,000

- **Staff Monthly Welfare Meeting**

Every month, a welfare meeting will be conducted by the Welfare committee, consisting of HR and outlet representatives. The objective of the meeting is to discuss and resolve any underlying welfare issues including workplace safety, uniforms, shoes or staff meals. During every meeting, minutes will be taken down by HR. Attendees of the meeting, issues raised, suggestions, and any decisions made will be recorded and disseminated to all parties within 3 working days.

- **Grievance Handling Procedures**

Employees may call the HR to bring attention to their work-related grievances. Upon receiving a complaint from staff, HR will acknowledge the dissatisfaction of employees, clarify the nature of the complaint and establish mutual understanding of the problem. After gathering sufficient relevant facts and information, HR will investigate the matter as soon as possible and follow-up with appropriate actions within 3 days. Those who have complaints made against them will also be informed of the case and given an opportunity to respond. All correspondences will be documented in a call log to record agreed actions to be taken and transpiration of events.

(II) **Teambuilding**

In the fast paced and high pressure F&B environment, we understand that the

- long working hours can take a toll on employee's emotional and physical health. Therefore, HR organizes events and activities where employees can let their hair down and have fun. In particular, we place heavy emphasis on team-bonding activities because this is an essential part of the JUMBO culture. With the right spirit and enthusiasm, we believe increased morale and heightened productivity will follow. At the end of every event organized, HR also collects feedback from employees to identify areas of improvements to enhance future planning.

- **Staff Parties**

JUMBO hosts a number of staff parties every year. There are many ways to recognize professional achievements, but we also seize opportunities to show appreciation and care for each individual in their special months. Hence at every outlet, we host a monthly birthday celebration for all staff born in that particular month. Cake and food are sponsored by the company and this is the time where employees step away from their stations for a while, have some fun and build camaraderie with colleagues.

Besides celebrations at group levels, JUMBO also host company-wide staff parties at least twice a year. This includes the Dinner and Dance, where we celebrate and thank employee's efforts and achievements in the past year, and look forward to new year and achieving new goals. Awards are given to exemplary performers, and employees also have the chance to participate in lucky draws where they stand to win great prizes like tickets to an overseas trip or an iPad.

We also celebrate Mid-Autumn Festival in September, one of the most important traditional Chinese festival. It is a meaningful event that signifies a time for reunion, and we understand that our foreign employees are away from their home and

may miss their hometown even more on this special day. Hence, we organize party every year at Kbox where everyone come together and celebrate. This instils feelings of warmth for our employees and further strengthens the family culture of JUMBO.

- **Staff Outings**

Every year, HR plans out 3 itinerary and organizes outings for all employees every quarterly. In the past few years, we have organized ducks tour around the city and visited places such as Singapore Flyer, Sentosa, Alive Museum and Universal Studios. For each staff outing, 2 meals are provided at our own restaurants so that staff can enjoy the food of other brands. The outings provide a chance for employees to relax, revitalize and take a break from work. It also allows employees to connect and build relationships across different functional areas in causal settings, on a professional and personal level. This reinforces existing bonds and enables employees to forge new bonds.

- **Incentive Trips**

Besides local staff outings, HR also organizes overseas incentive trips for our employees to establish cross-departmental working relationships and improve employee engagement. The incentive trips are designed to reward employees for their contributions, which yields a positive impact on motivation and productivity. For instance, we had a 5 day 4 night trip to Shanghai in 2012.

- **Games Day**

Through sports and cooperative games, employees can enhance their collaboration and leadership skills and foster team bonding. It can even iron out hierarchies when their superiors join in the games. We have heard that “all work and no play make Jack a dull boy”. With these activities, it is conceivable that the energy and enthusiasm in games could be transferred from the games table to employees’ work stations. Various kinds of sports competition the company has organized include bowling, badminton and basketball. Winning teams will be awarded trophies that they can display in their respective outlets as well as vouchers that can be used for a victory feast.

(III) **Employee Support Schemes**

Birthday Vouchers / No MC Vouchers

All employees receive \$50 birthday vouchers that they can use at any of the company’s brand. To reinforce our emphasis on employee’s health, \$200 food vouchers are also given to staff bi-yearly with no MC records for half a year.

Cash & Gifts

On different occasions, cash and gifts are given to employees. For instance, with the arrival of a newborn child, a staff will receive a set of cash and hamper. In the event of hospitalization, staff will receive fruit basket and for bereavement, company will also arrange for wreath and condolence money to be delivered.

Exclusive Discounts

- 15% to 25% Staff Dining Discounts at all JUMBO brands
- 10% discount upon application of new line with phone service provider M1

- 20% off total bill when shopping for furniture at Ace Living Furniture
- 75% reimbursement for one booking with NSRCC every year and bookings at special discount rates
- Up to 40% discount for purchase of make-up products with Kyrolan Make Up Singapore
- Complimentary visits to Singapore Zoo and River Safari with up to 3 accompanying guests

- **Bursaries**

Recognizing the rising costs of education in Singapore, JUMBO established the JUMBO Bursary to provide financial assistance to employees whose child is schooling. The scheme is open to Singaporeans, Permanent Residents and Foreign employees who have served the company for more than 3 years and whose children are enrolled in local schools. The bursary is also targeted at employees whose income does not exceed \$4,000. This is to show commitment to the well-being of employees' dependents and to alleviate financial burden of employees. In year 2014, there were 17 beneficiaries of the fund: 5 from Primary school, 9 from Secondary school, 1 from Polytechnic, 1 from ITE, and 1 from University.

B. Measuring Employee Engagement and Well-being

While employees receive feedback from supervisors to improve their work performance, the organization also values feedback from our employees so that we can work on areas where we fall short. Keeping in mind that people are our most important assets, HR has adopted various platforms to reach out to employees and listen to their feedback on a variety of workplace matters.

Through surveys, we manage to obtain employees' views and opinions on different initiatives like training, welfare and dynamics of workplace relations. This is to ensure issues are identified and resolved promptly before they develop into bigger problems. It is also to create employee engagement, strengthen staff's commitment and dedication, and most importantly, keeping employees happy and satisfied.

- **Bi-Monthly Visitation**

Every 2 months, HR makes a trip to all outlets and have informal small talks with one or two employees to gather feedback and concerns. Unlike in a full-scale survey, the monthly visitation consists of a set of short questions that provide a snapshot of employee's opinions and a relatively fast way to identify areas of improvements. Responses are kept strictly anonymous so employees can respond openly and truthfully. Typically, questions asked are related to staff welfare and how the company can improve working environment and well-being.

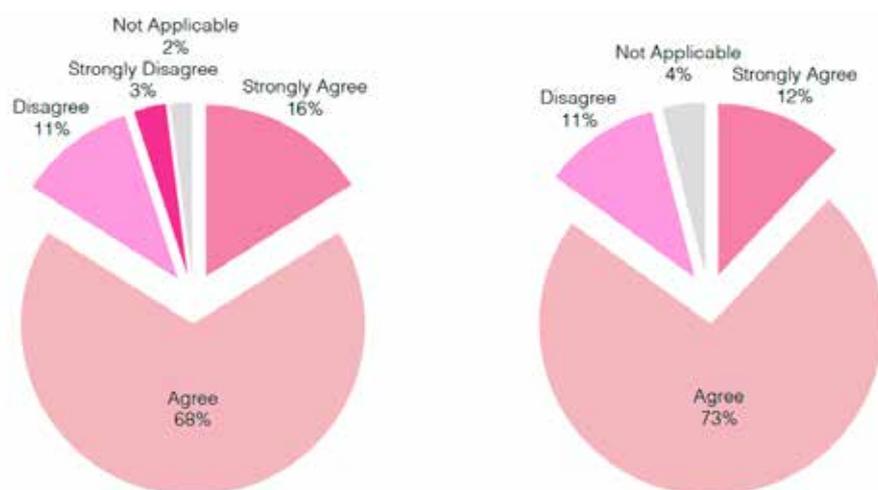
All responses are gathered and shared during the HR meeting where problems, solutions and follow-up actions will be discussed. For instance, one of the visitations revealed that the staff meal for a particular outlet was not satisfactory; Thereafter, the chef was informed and improvements were made to the meals. At every follow-up visitation, we also make sure that changes are implemented successfully.

- **Employee Satisfaction Survey**

Recognising the employees as our internal clients, Employee Satisfaction surveys are conducted annually to measure employee's satisfaction on a wide variety of issues including welfare and benefits, learning and development, communication and involvement and job content. Data are collected and analysed to highlight the strengths and areas of improvements.

Results findings from our first survey recently launched include:

- 75% enjoy the different sports activities organized
- 84% feel the trainings are helpful to work
- 84% feel happy to work at JUMBO
- 85% feel they are proud to be working in JUMBO
- 87% of employees are happy with the welfare provided
- 91% felt that they were able to work well with their colleagues



As the data has shown, employees were relatively less satisfied with the sports activities organized. Hence, HR is currently gathering suggestions and feedback from employees to discover more popular activities.

- **360° Appraisal**

While this is an opportunity for supervisors and managers to be assessed on their leadership performance, it also provides a bottom-up avenue for employees to voice their opinions about their leaders. As all responses are strictly anonymous and conducted in absence of managers, employees would be able to provide honest opinions without fear of reprisal.

At the end of every cycle of appraisal, a meeting between HR and managers would be held to communicate how subordinates feel about their leaders. Besides crediting and acknowledging the strengths of managers, HR also provides counselling and suggestions for making necessary adjustments for those who are appraised negatively. As the managers improve and the working relations become more favourable, employees will feel that their opinions are valued and this will boost job satisfaction.

For instance, it has been revealed that one of the managers was perceived as unfair and biased. As a result, HR spoke to the manager, listened to her perspective, and provided advices for her to be more transparent about decisions and encourage equal interaction to reduce perception of favouritism. Follow-up is also done through bi-monthly visitations where employees are asked if there have been improvements to situations.

Feedback Box

There is a feedback box at every outlet that employees can use to communicate and share the ideas, suggestions or views with HR. The feedback box is open to all and submissions are anonymous. It is one of the feedback mechanisms used to garner employee inputs on how the company can improve on staff welfare and enhances staff engagement. HR collects all feedback at every bi-monthly visitation and reviews them during the HR meeting.

4.4 Employee Performance and Recognition

To support high performance, productive and innovative behaviours to achieve strategic goals, JUMBO has developed a pay system that rewards employees based on their performances. This seeks to provide the motivation and drive for them to go above and beyond their expectations and prioritize the consumer above all.

- **Salary:**

We have a salary structure in place that helps managers to manage compensation in an optimal way, where employees' salaries are determined based on their capabilities. HR reviews the salary structure every year to ensure we are at the 50th -60th percentile of the market. For operations staff, we pay these employees serving critical roles competitive base salaries set above industrial practice to attract and retain them. In addition to the basic salary, all service and kitchen full-timers and part-timers receive a monthly incentive.

- **Bonuses:**

Bonuses are given every year to all employees who served the company for more than 3 months. Additional bonuses are also given to employees with good performance. This includes part-timers and casual labour, who are usually hired during peak periods and festive seasons to help cope with the increased demands. Bonuses are given to causal labours to attract and retain skilled workers.

- **Yearly Increment:**

Annual increment of basic salary is determined by evaluating against performance standards. A new performance appraisal system was put in place with effect from FY2013/14 and top performers will be rewarded with lump sum merit awards each year in July. This enhanced and more comprehensive performance appraisal system will reward the top performers with merit awards, promotions and caters to staff's aspirations of faster career progression.

- **Compliment Vouchers:**

While the bi-annual performance evaluations are good times to recognize employees' accomplishments, we believe in rewarding and recognizing good performers timely to effectively reinforce performance that exemplifies desired behaviours and organisational values. This increases the likelihood that such behaviours would repeat.

Once HR receives a compliment letter from customers, a letter of commendation will be prepared for the staff. In the letter, we thank the staff for his/her outstanding service and the customer's compliment would be conveyed to the staff to show appreciation. In addition, they will also receive vouchers to dine at any of JUMBO outlets. A copy of the letter of commendation will be filed in the employee's Personal File to ensure that contributions are systematically recorded and future references can be made for career progression.

- **Annual Awards:**

The following awards are presented to employees at the yearly Dinner and Dance to recognize their hard work and commitment to the company. These awards are designed to motivate employees who demonstrate exemplary behaviours and who embody JUMBO's organisational values.

- Most Complimented Staff
- Service Star (per outlet)
- Kitchen Star (per outlet)
- Top Sales Waiter/Waitress
- Top Sales Captain
- Service Superstar
- Kitchen Superstar
- Most Complimented Outlet
- Mystery Diners
- Quality Assurance Award (Food Safety and Housekeeping)
- Long Service Award
- Best Manager Award

D. Ensures the performance and recognition system is clearly communicated to employees

As part of the New Staff Orientation programme, all employees will attend a briefing session led by HR Executives. Through the session, employees will be aware of the benefits and rewards they are entitled to. In addition, to enhance effectiveness of communication and to facilitate employees' understanding, Employee Handbooks are given to provide important information on various HR policies and procedures. As mentioned, Orientation Officers will also advise new hires and help to clarify any doubts.



Planning
strategy
development
Product
teamwork
consulting
business

Processes

05 Processes

5.1 Innovation Capabilities

A. Gathers, evaluates and implements innovative ideas for products, services and related processes to create value

Case Study: JPOT

Recognizing the need to create new dining concepts, we developed a methodology consisting of:

1. Engaging in market research, to identify demand gaps and best practices in the industry
2. Conducting Focus Group studies, if necessary
3. Leveraging on current capability/know-how
4. Engaging Consultants, if necessary
5. Using Financial feasibility studies

The above methodology enables us to understand the potential market, assess and develop our capabilities to ensure the viability and sustainability of the new concept. The application of this methodology is best illustrated with the creation of our JPOT brand.

Leveraging on our seafood restaurant's know-how, in which fresh ingredients and quality of soup stock are of paramount importance; coupled with the increasing popularity of hotpot among the younger generation of diners, we decided to explore the hotpot concept.

For market research, other than dining at almost every hotpot restaurant in Singapore, we visited Hong Kong and Guangzhou to survey the hotpot landscape, expand our hotpot knowledge and identify unfulfilled needs and areas for improvement. This extensive market research resulted in the birth of JPOT, hotpot Singapore style, brand featuring:

1. Singapore favourite soup stocks such as Laksa & Bak Kut Teh
2. Personal pot of soup stock
3. Live Seafood
4. Fresh ingredients
5. Healthy Eating with a large selection of vegetables
6. Self-customized hotpot dips

The first JPOT restaurant was launched in VivoCity in 2009. Today, we have a total of 3 JPOT outlets in Singapore. With the same methodology, we developed 2 more dining concepts:

1. Chui Huay Lim Teochew Cuisine – launched in 2011; which we engaged a renowned Swatow-based Teochew cuisine consultant, Mr. Zhang Xin Ming, for the restaurant menu planning
2. J Café – launched in 2014, featuring Singapore’s best loved street food

B. Involve key stakeholders in generating and implementing innovative ideas and solutions

At JUMBO, Employees and Customers play important roles in driving innovative ideas for products, services and related processes to create value. They are valuable sources of insights and we seek to harness diverse ideas from them. For instance, in the past, members who wished to participate in the annual JUMBO Golf Challenge were required to call in and register. The process was slow and inefficient, and the requests were often overwhelming for the phone operators. Hence, confirmation responses to customers were only available in a week. However, with the feedback of both customers and staff, the idea of online registration was generated. Eventually, the system was in place and people are now able to receive a confirmation response within a day rather than a week. This system has greatly boosted efficiency of the registration process and is a direct result of frontline employees’ involvement and users’ feedback.

Our retail packs were also co-created with our customers, when diners started to feedback that they wished to take-away our dishes, but taking away would reduce the quality of the food. Thus, paying close attention to our customers’ wants as well as monitoring market trends whereby increasingly, people prefer to cook at home and dine in, we decided to launch our easy-to-use retail pack sauces that would enable even the most novice of chefs to replicate our signature JUMBO dishes from the comfort of their own kitchen. This initiative proved to be indeed popular with our diners, and our retail packs have been selling to 18 countries since 2012.

For products, competitions like the JUMBO Culinary Challenge also seek to stimulate innovation and creativity for our products. Teams from different outlets first brainstorm to create new dishes for each of the stipulated category (e.g. Soup, Seafood dish, Meat dish). They are then required to work together to fine-tune the dishes and finally engage in a healthy competition where they are judged on established criteria. Subsequently, winning and other potential dishes to be launched in the restaurants would be determined. The entire process of R&D requires the active involvement of employees. Besides that, cash incentives and certificates of participation are also given to contestants to motivate them to come out with different and better products.

One of the main contributors to JUMBO’s sustained growth is the establishment of a Central Kitchen at our Kaki Bukit headquarters. Designed to ensure consistency in food preparation and tastes across the different dining brands, our CK also serves a centralised place for the conceptualization and refinement of sauces and various processing improvements. Our CK currently supports more than 35% of our menus’ items. As a result, space at our outlets can be effectively utilized and converted into revenue-generating seating capacity.

Other than increasing productivity by dramatically reducing the time needed for food preparation, and maximizing revenue through the consolidation of food preparation processes in a singular location, cost efficiencies are also achieved

through economies of scale brought about by bulk procurement and a controlled supply network distributing soup stocks, sauces, semi-process products and other ingredients to the individual outlets.

Finally, in order to generate new ideas, our management attends talks and seminars, as well as visit other local and overseas restaurants to learn from their best practices.

5.2 Process management

A. Drives process improvement to improve productivity and ensures timely delivery

- **Workflow redesign**

To maximise efficiency and optimize labour use, workflow at selected outlets have been redesigned. For instance, cutleries are placed in drawers below dining tables instead of being kept at separate station in the conventional settings. With easier retrieval of the cutleries, it removes the server's task of walking to and fro the cutlery station, greatly improving productivity and reducing time taken to set up tables. In addition, free flow of drinks are also offered at our JPOT outlets, where customers have up to 8 choices of drinks. Now, customers get to enjoy the flexibility of changing their choice of drinks and refilling their drinks without requiring the assistance of the servers.

- **New Ordering System: iPad, OCR (Optical Corrector Recognition), PDA**

The iPad ordering system at selected outlets has been used to enhance speed and accuracy of order-taking. Due to the nature of dining concepts like hotpot, customers at our JPOT outlets are more likely to re-order food and ask for re-filling of broths. However, our staff may not be able to promptly respond to customers during peak periods where there are higher consumer traffic. Consequently, service expectations are sometimes not met when diners fail to get the attention of service staff.

To make customer interactions and food preparations faster and more responsive to customer's needs, we have utilised the iPad as a self-ordering tool. Customers are now able to choose their food and beverages on the multilingual and interactive menu, accompanied by vivid photos and useful functions like checking their bills. This provides both information and assistance in a fun and unconventional way. Orders will then be sent to the kitchen immediately for preparation and delivery. This frees frontline staff from the otherwise tedious order-taking, and allows servers to manage more tables and devote greater attention to customer service.

At other outlets, we also utilize the OCR for customers to shade their orders. Managers also use PDA to take orders and communicate orders to kitchen wirelessly without having to physically submit order forms. This allows for more time to attend to customers and providing service of higher quality. Ultimately, it also serves to speed up the process of order-taking and ensure timely delivery.

- **Online Reservation / Registration**

CHOPE system is an online reservation system that allows our customers to make real-time bookings and is available 24/7. Instead of waiting in line for a queue number or ringing the customer service to make a reservation, customers can now make instant reservations at our selected restaurants anytime and anywhere. To

assure customers that reservations are successfully made, customers will be sent an email confirmation immediately. A day before the dining date, the system will also send a SMS reminder. This enhances customer's experiences as it provides customers assistance in an efficient and fuss-free manner. For instance, we have put in place an online reservation for our annual JUMBO Golf Challenge where people get a confirmation response within a day instead of a week when using the manual system. This system has greatly boosted efficiency of the registration process and is a direct result of frontline employees' involvement.

- **Cardless System**

Plans are in the pipeline for the development of a cardless system. Currently, customers are required to sign up on a physical form for our membership programme. They will then make payment at outlets while the forms are being sent back to the Headquarters for processing. With the upgrade of the reward system, it enhances the entire membership sign up and renewal process. Sign-ups will be done online, so customers can apply anywhere and anytime as long as they have a smart device with them. It also minimizes human error and omissions often present in paper processing. This greatly boosts productivity and helps customers to track their transactions real time. Without a physical card, it also significantly reduces the time originally taken to process the cards and eliminates the chances of losing or replacing a card. More importantly, with lesser use of paper and plastics, we hope to do our part for saving the environment.

- **Implementation of 5S System**

5S is a housekeeping system that emphasises on sort, systemize, standardize, shine and self-discipline. This enables improvements in staff productivity and service efficiency at work. A safer working environment is created for staff, thereby reducing the number of possible hazards. Retrieval time is reduced, and with everything put in its proper place, a strong sense of ownership is promoted among our employees, consequently also instilling a sense of pride and personal responsibility while also boosting morale. Space is utilized in the most efficient ways in order to generate greater productivity and in turn, revenue.

- **Implementation of ERP**

Timely financial reports with Key Performance Indicators (KPIs), such as productivity ratios, are produced by the Finance and Accounts departments on a monthly basis. These reports are reviewed during the weekly Heads of Department meeting and problematic areas are discussed and resolved at the respective outlet levels. JUMBO is in the midst of implementing an Enterprise Resource Planning (ERP) system whereby all real-time operational data will be captured and readily available on a daily basis. This allows for a seamless transfer of critical information between all the departments and key management, and this easy access to data can then be used for analysis and effective decision-making.

- **Queue Management**

At the restaurant, JUMBO uses the walk-in Ticktok Q-system to manage queues. Instead of having to stand in line to wait, customers will receive automatic notifications when their table is ready after punching in their contact numbers into a self-service system. These technological aids ultimately serve to enhance the overall customer dining experience.

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Knowledge

06 Knowledge

6.1 Knowledge Management

A. Collects and manages information for strategy development, decision-making and organisational learning

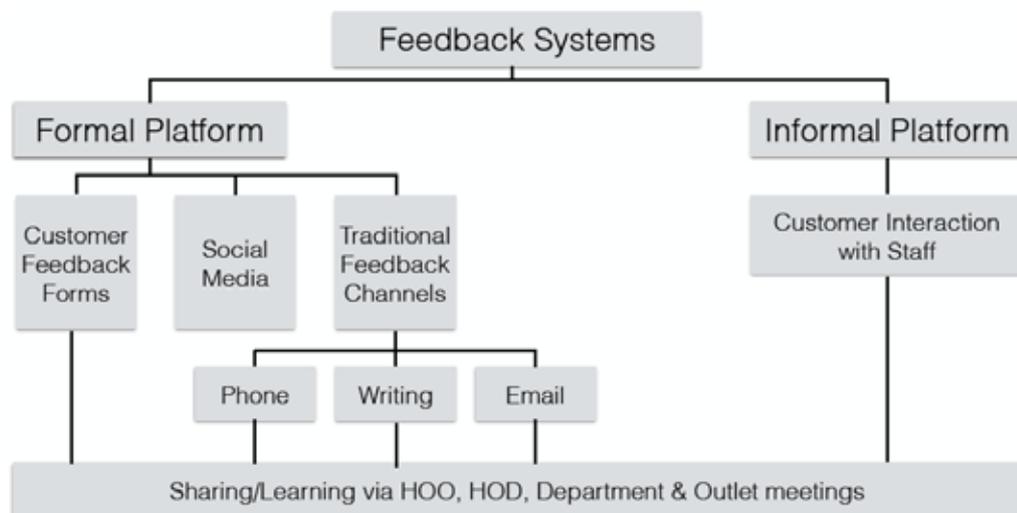
6.2 Analytics for Performance Management

A. Leverages on information and knowledge to create value

B. Uses knowledge to support organisational learning and growth

Customers:

Customer data and feedbacks are collected through a number of formal and informal channels.



Traditional customer feedbacks are replied within 24 hours, and in cases of complaints, investigations will be carried out and a follow-up email sent within 2 days. The findings gathered from these customer feedbacks are then shared both vertically and horizontally, through weekly meetings with Head of Departments (HOD) and monthly meetings with Head of Operations (HOO), who in turn share the knowledge with their employees. The close-looped feedback control process allows employees to gain a deeper understanding of and anticipate our customers' needs. Data collected are fed back to staff to empower them with customer knowledge and enhance services and products. Service standards are also reviewed to reflect learning, helping the organisation to grow.

- **Strategy:**

We collect feedback from our customers through formal and informal channels, as well as engage in market research/market surveys to obtain information about changing demographics, tastes, economics and market trends. Our management will then use this consolidated information to assess feasibility, before sharing findings and conclusions at key management meetings to determine whether we should introduce new dishes/concepts, expand overseas, etc.

- **Employees:**

Staff satisfaction surveys, welfare meetings and HOO meetings are conducted to collect feedback and information from employees. Data are then analysed and reviewed internally before actions are taken to resolve any issues. For instance, when staff feedback that their shoes were slippery, HR installed anti-slip shoe grips to tackle this problem. Findings are then shared during HOO and HOD meetings before the information is cascaded to the staff. Ultimately, this will contribute to staff satisfaction and retention as we demonstrate how the company listens to their needs and take actions to constantly enhance their well-being.

Besides that, post course evaluations are conducted to obtain employees' feedback on the training courses to prompt improvements. Customers' feedback are also collected to identify areas of lack in our customer service. Similarly, all data will be consolidated and reviewed internally to revise existing training and course plans, such that new knowledge can be imparted to staff through training sessions. These information help us to enhance HR policies and practices to ensure that initiatives are always aligned to the HR Mission to recruit, develop and retain our employees.

- **Processes:**

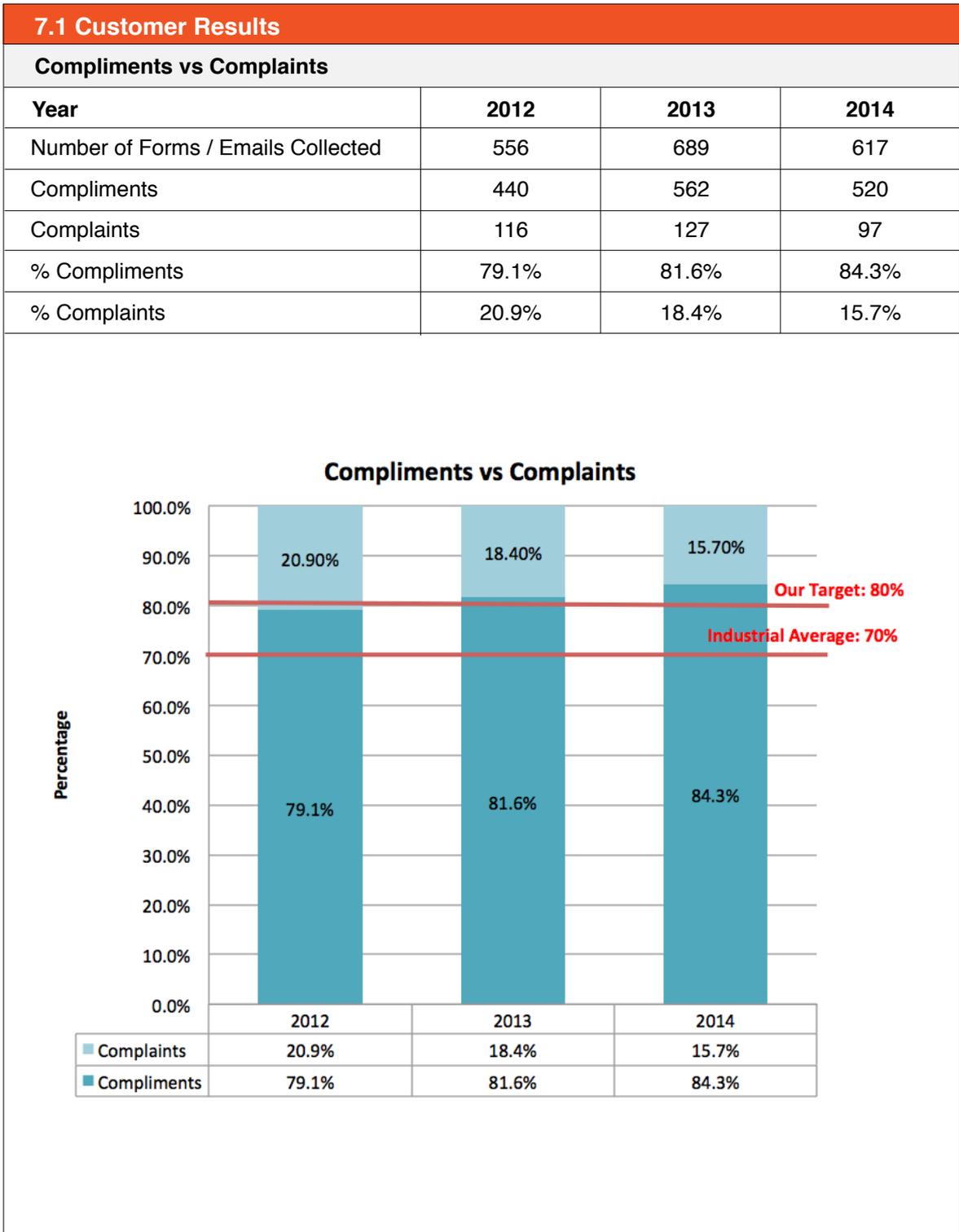
All recipes are documented with step-by-step procedures in detailed photo and video formats. These files are version-controlled to ensure procedures are consistently updated and new chefs can be trained with ease—thus ensuring food quality consistency across all our outlets. All recipes are also monitored and limited in their distribution to prevent potential leakages, should any key personnel leave the company. This comprehensive and systematic documentation also enables us to verify our SOPs and make critical decisions.



**JUMBO Group of Restaurants won the
‘SME Employer of the Year’
at the 12th Annual HRM Awards**

Results

07 Results



7.2 Financial Results

REVENUE BREAKDOWN BY BRAND

S\$'000	FY2012		FY2013		FY2014	
	Revenue	%	Revenue	%	Revenue	%
JUMBO Seafood	67,675	77.2%	70,897	72.6%	82,846	73.7%
JPOT	5,337	6.1%	8,606	8.8%	9,996	8.9%
J Café	-	-	-	-	267	-
Chui Huay Lim Teochew Cuisine	7,631	8.7%	10,258	10.5%	10,678	9.5%
Ng Ah Sio Bak Kut Teh	6,205	7.1%	7,048	7.2%	7,831	7.0%
Others	818	0.9%	814	0.8%	1,053	0.9%
TOTAL	87,666	100.0%	97,623	100.0%	112,404	100.0%

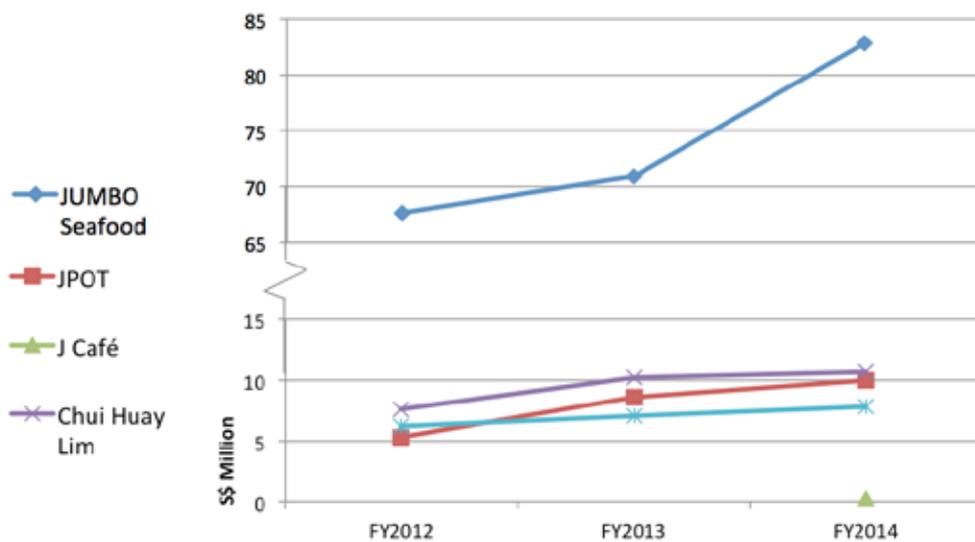


Figure 7.1 Revenue Breakdown by Brand

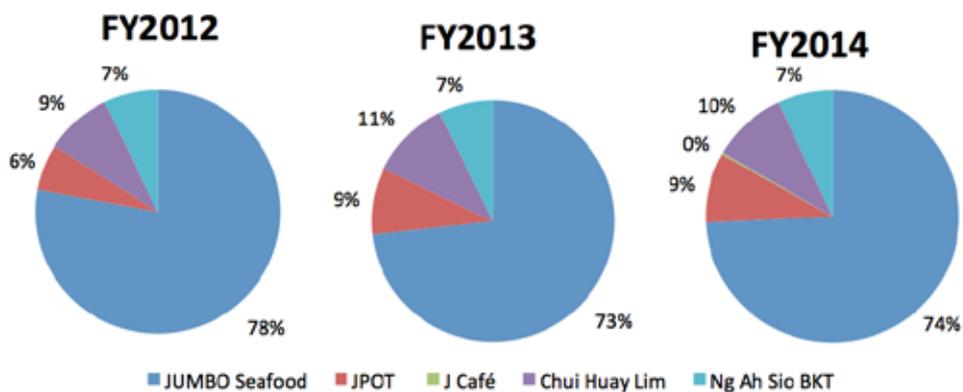


Figure 7.2 Revenue Contribution Percentages per Brand

7.2 Financial Results

JUMBO Seafood

S\$	FY2012	FY2013	FY2014
Singapore			
JUMBO Seafood, East Coast	25,255,128	25,756,009	28,191,523
JUMBO Seafood Riverside	14,105,866	15,255,822	17,030,013
JUMBO Seafood Gallery	11,042,942	13,317,997	16,343,513
JUMBO Seafood @ Demsey Hill	8,270,011	8,536,689	9,286,528
JUMBO Seafood @ NSRCC	4,204,099	4,556,613	5,465,615
JUMBO Seafood Waterfront	4,796,699	3,473,699	-
Shanghai PRC			
JUMBO Seafood iAPM	-	-	6,529,116
JUMBO Seafood TOTAL	67,674,745	70,896,829	82,846,308
Growth (%)		4.76%	16.85%

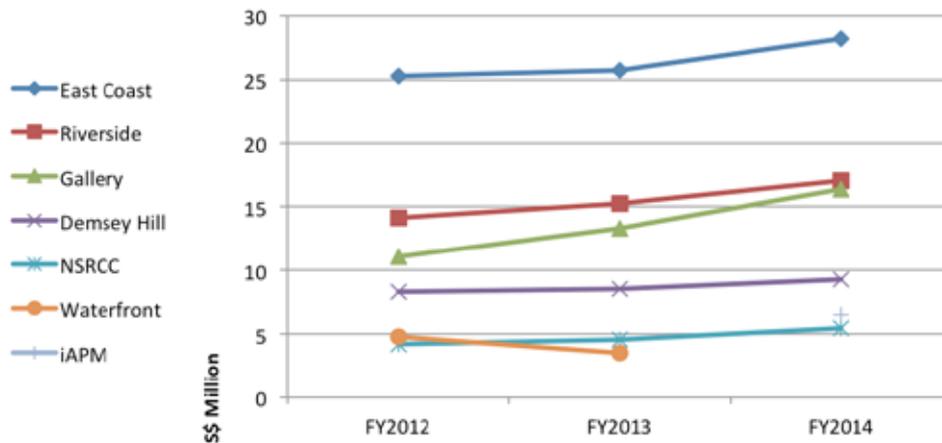


Figure 7.3 Revenue Breakdown – JUMBO Seafood

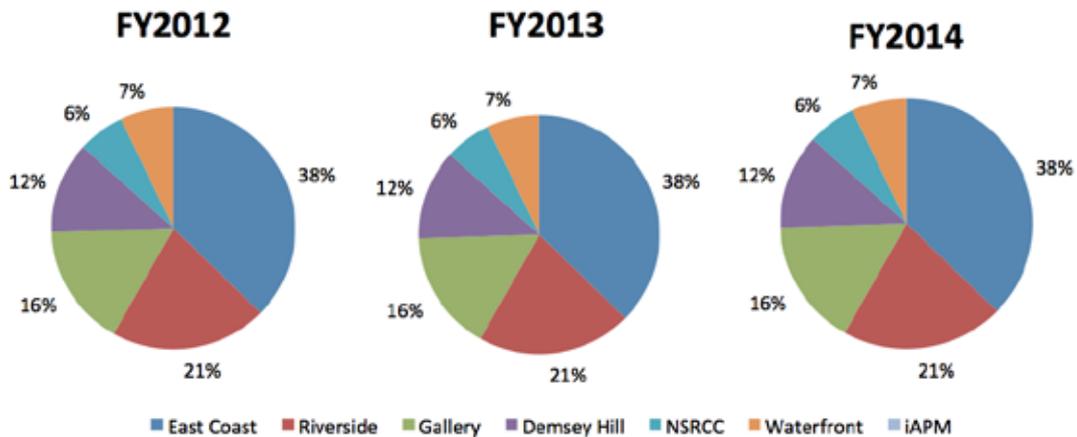


Figure 7.4 Revenue Contribution Percentages – JUMBO Seafood

7.2 Financial Results

JPOT - Hotpot Singapore Style

S\$	FY2012	FY2013	FY2014
JPOT, Vivo City	4,774,449	4,989,143	5,428,785
JPOT @ Tampines	562,444	3,617,283	4,493,019
JPOT @ Parkway Parade	-	-	73,882
JPOT TOTAL	5,336,893	8,606,426	9,995,686
Growth (%)		61.3%	16.1%

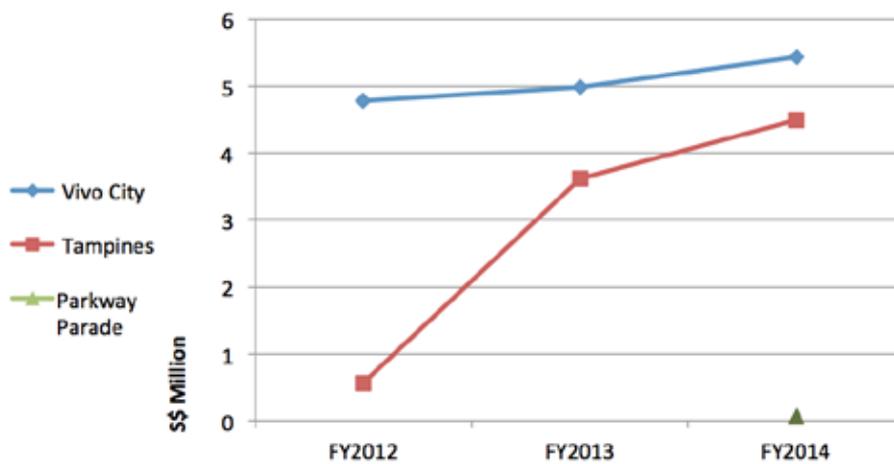


Figure 7.5 Revenue Breakdown – JPOT

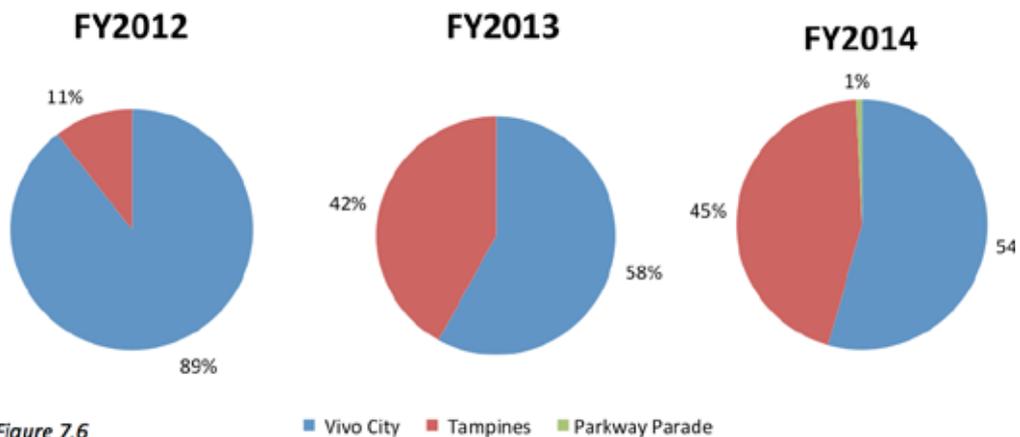


Figure 7.6 Revenue Contribution Percentages – JPOT

7.2 Financial Results

Ng Ah Sio Bak Kut Teh

S\$	FY2012	FY2013	FY2014
Bak Kut Teh, Rangoon	4,177,048	3,933,064	4,185,024
Bak Kut Teh, MBS	1,088,981	1,149,536	1,425,248
Bak Kut Teh, Katong	790,501	1,358,140	1,547,780
Bak Kut Teh, Keng Lee	148,554	607,414	672,572
Bak Kut Teh TOTAL	6,205,084	7,048,154	7,830,624
Growth (%)		13.6%	11.1%

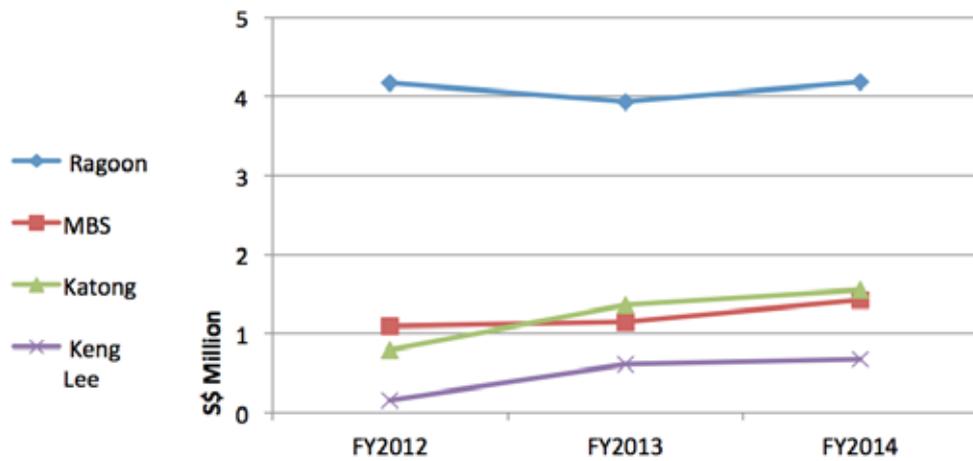


Figure 7.7 Revenue Breakdown – Ng Ah Sio Bak Kut Teh

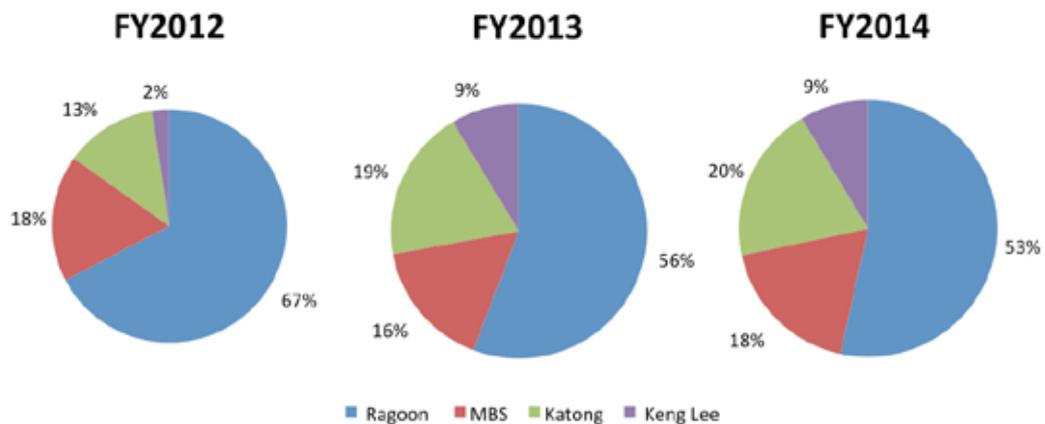


Figure 7.8 Revenue Contribution Percentages – Ng Ah Sio Bak Kut Teh

7.2 Financial Results

J Café & Chui Huay Lim Teochew Cuisine

S\$	FY2012	FY2013	FY2014
J Café	-	-	266,566
Chui Huay Lim Teochew Cuisine	7,630,545	10,258,295	10,678,407
Growth (%)		34.4%	4.1%

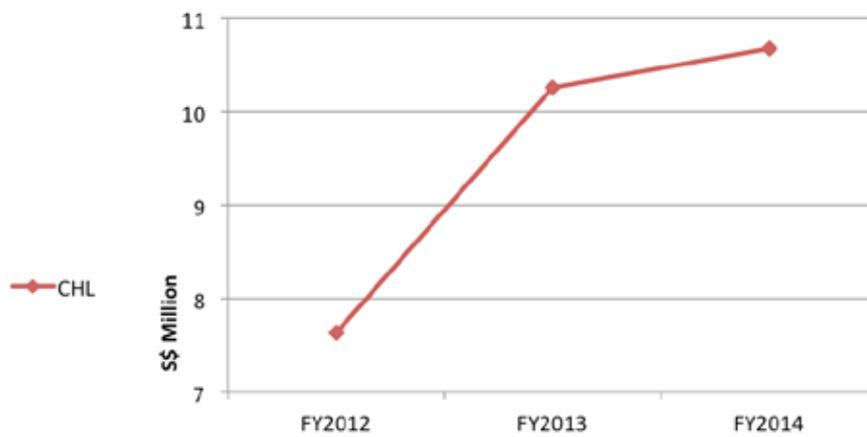


Figure 7.9 Revenue Breakdown – Chui Huay Lim

7.2 Financial Results

FINANCIAL RESULTS

Forecast FY2012-FY2016

S\$ '000	FY2012	FY2013	FY2014	FY2015	FY2016
Revenue	81,584	91,485	109,879	121,521	149,364
Gross Profit	48,293	54,098	67,233	77,433	92,421
EBITDA	10,467	10,947	14,388	18,264	24,351
NPBT	8,956	9,260	11,279	14,724	20,000
Targeted YOY Growth	3%				

*Our Fiscal Year runs from October to September

Outlet Opening Timeline:

FY2011: October 2010 to September 2011

- Ng Ah Sio Bak Kut Teh – Marina Bay Sands *open December 2011 (9 months)*
- Chui Huay Lim – Keng Lee Road *open October 2010 (12 months)*

FY2012: October 2011 to September 2012

- Ng Ah Sio Bak Kut Teh – Keng Lee Road *open July 2012 (3 months)*
- Ng Ah Sio Bak Kut Teh – Tanjong Katong *open April 2012 (6 months)*
- JPOT – Tampines *open August 2012 (2 months)*

FY2014: October 2013 to September 2014

- JUMBO Seafood – Shanghai *open November 2013 (11 months)*
- J Café – NSRCC *open July 2014 (2 months)*
- JPOT – Parkway Parade *open September 2014 (1 month)*

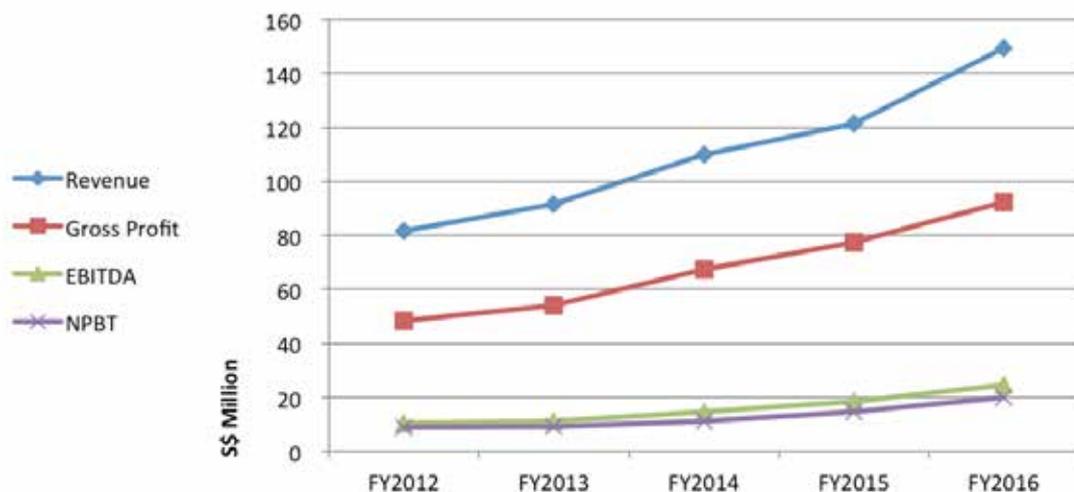


Figure 7.10 Forecasted Financial Results over Time

7.2 Financial Results

Actual FY2012 – FY2014

S\$ '000	FY2012	FY2013	FY2014
Revenue	87,665	97,624	112,404
Gross Profit	51,839	59,735	70,386
EBITDA	10,496	12,803	18,748
NPBT	8,873	10,021	15,591
Year on Year Changes			
Revenue Growth	22.8%	11.4%	15.1%
Gross Profit Growth	22.7%	15.2%	17.8%
EBITDA Growth		22.0%	46.4%
Net Profit Growth	13.3%	12.9%	55.6%

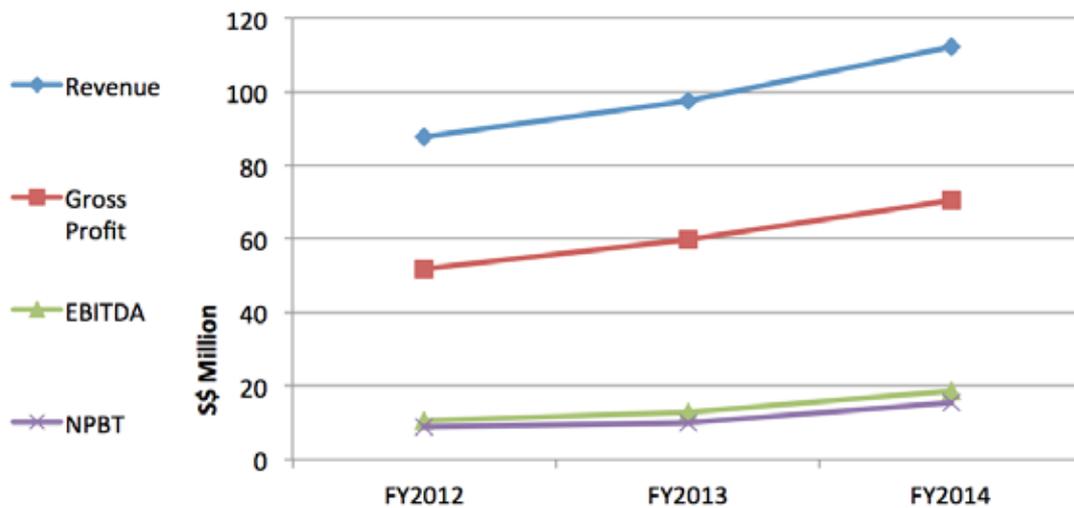


Figure 7.11 Financial Results over Time

7.2 Financial Results

Actual vs Forecasted Financial Results FY2012 – FY2014

FORECASTED				
S\$ '000	FY2012	FY2013	FY2014	FY2015
Revenue	81,584	91,485	109,879	121,521
Gross Profit	48,293	54,098	67,233	77,433
NPBT	7,956	9,260	11,279	14,724
ACTUAL				
S\$ '000	FY2012	FY2013	FY2014	1HFY15
Revenue	87,665	97,624	112,404	62,174
Gross Profit	51,839	59,735	70,386	39,443
NPBT	8,873	10,021	15,591	8,587

*1HFY15: First half of Fiscal Year 2015 i.e. October 2014 to September 2015

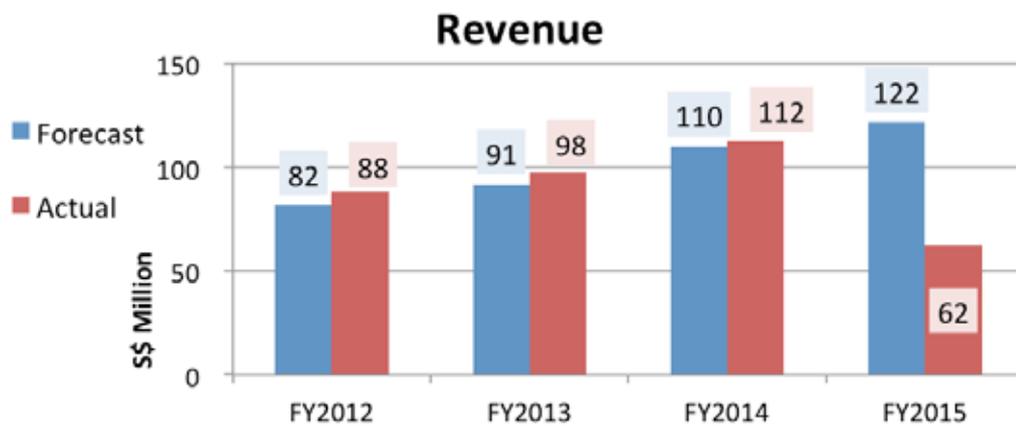


Figure 7.12 Forecast vs Actual – Revenue

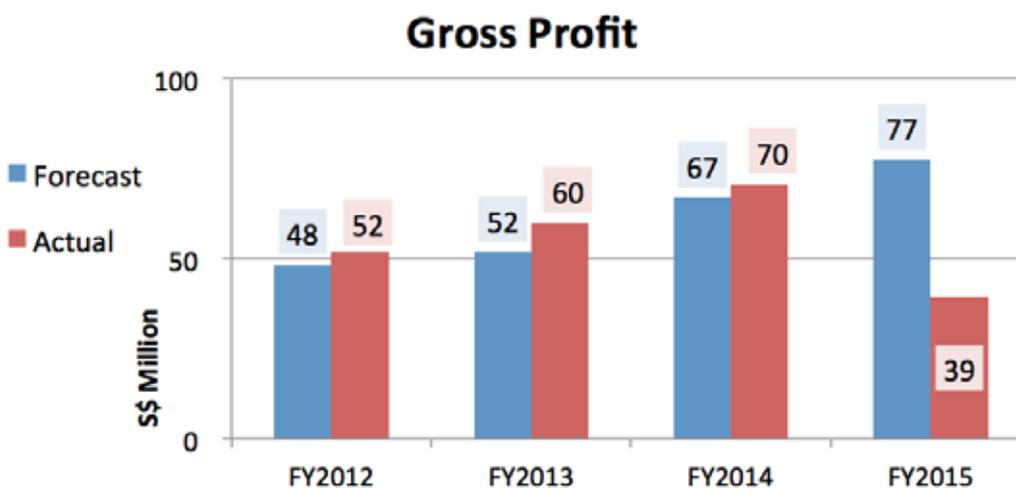


Figure 7.13 Forecast vs Actual – Gross Profit

7.2 Financial Results

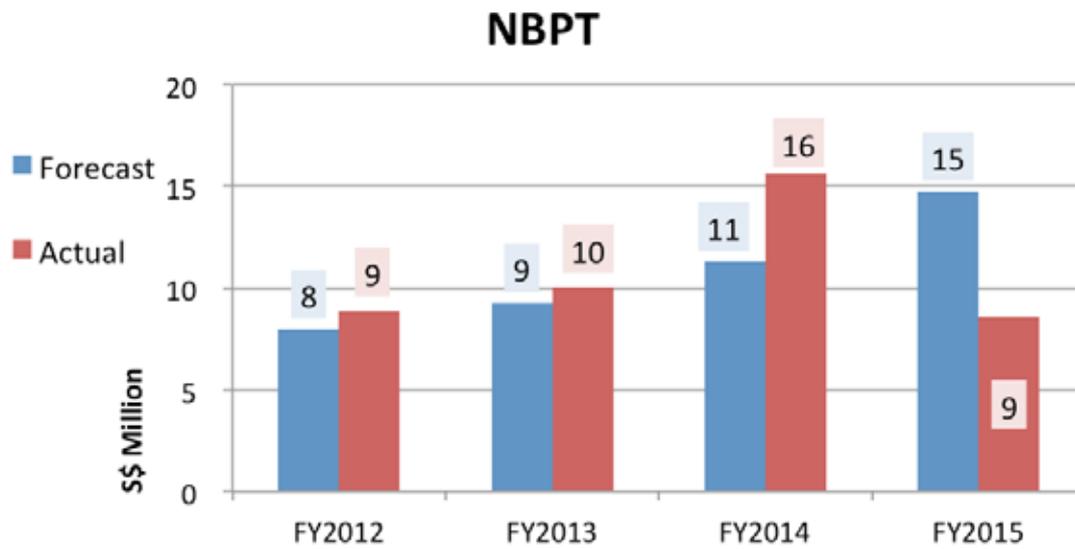


Figure 7.14 Forecast vs Actual – NBPT

Capital Investment

We made the following investments into our central kitchen from FY2012 to FY2014 and 1HFY15 to improve the ease the workload of our employees:

S\$ million	FY2012	FY2013	FY2014	FY2015 (Half year)
Central Kitchen Equipment	2.3	0.4	0.2	0.6

7.2 Financial Results

PRODUCTIVITY ANALYSIS

Value Added - Employees

S\$	FY2012	FY2013	FY2014	VAR FY2012-FY2013	VAR FY2013-FY2014
Value Added	33,432,202	37,967,659	46,536,641	13.6%	22.6%
Head Count (pax)	857	790	858	(7.8%)	8.6%
Value Added Per Employee	39,011	48,060	54,239	23.2%	12.9%
Revenue Per Employee	102,293	123,575	131,007	20.8%	6.0%

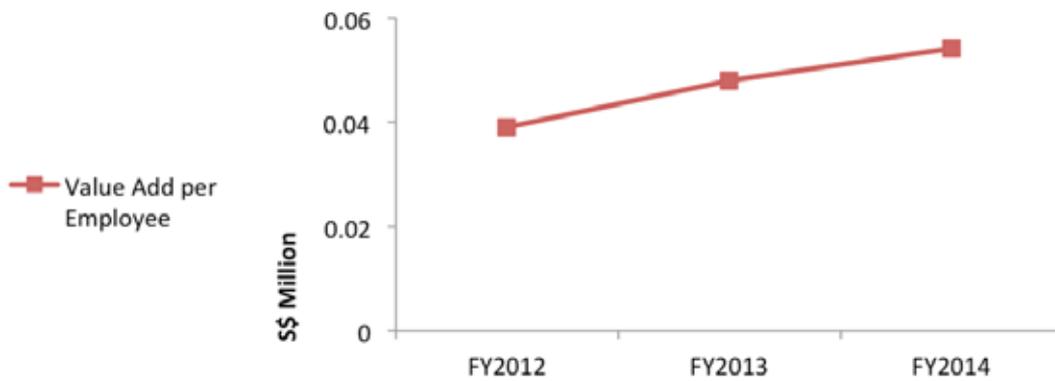


Figure 7.15 Value Added per Employee

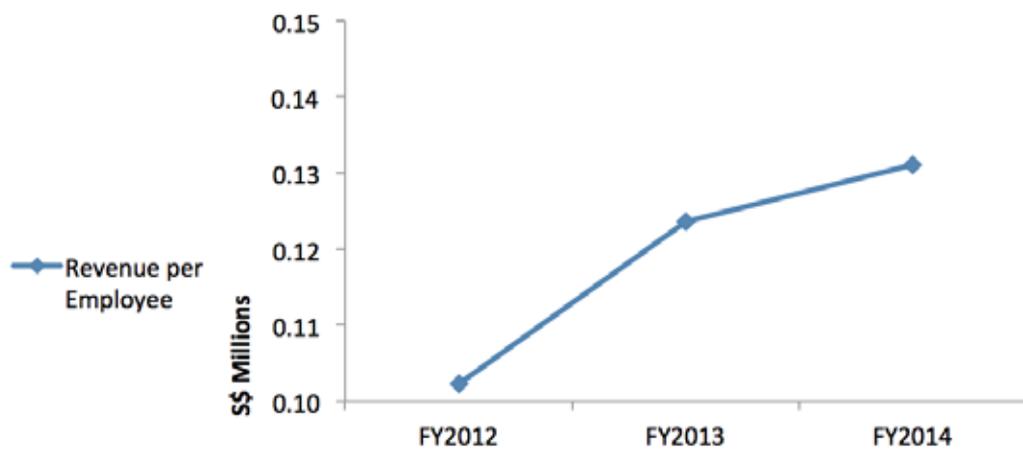


Figure 7.16 Revenue per Employee

7.2 Financial Results

Average Spending per Customer

Number of Customers	FY2012	FY2013	FY2014
JUMBO Seafood	1,507,969	1,400,132	1,520,473
JPOT	185,208	299,819	340,889
J Café	-	-	40,730
Chui Huay Lim Teochew Cuisine	161,910	176,384	170,106
Ng Ah Sio Bak Kut Teh	463,726	402,881	390,387
TOTAL	2,318,813	2,279,216	2,462,585
		(1.7%)	8.0%

Average Spending per Customer (S\$)	FY2012	FY2013	FY2014
JUMBO Seafood	44.9	50.6	54.5
JPOT	28.8	28.7	29.3
J Café	-	-	6.5
Chui Huay Lim Teochew Cuisine	47.1	58.2	62.8
Ng Ah Sio Bak Kut Teh	13.4	17.5	20.1
TOTAL	37.8	42.8	45.6

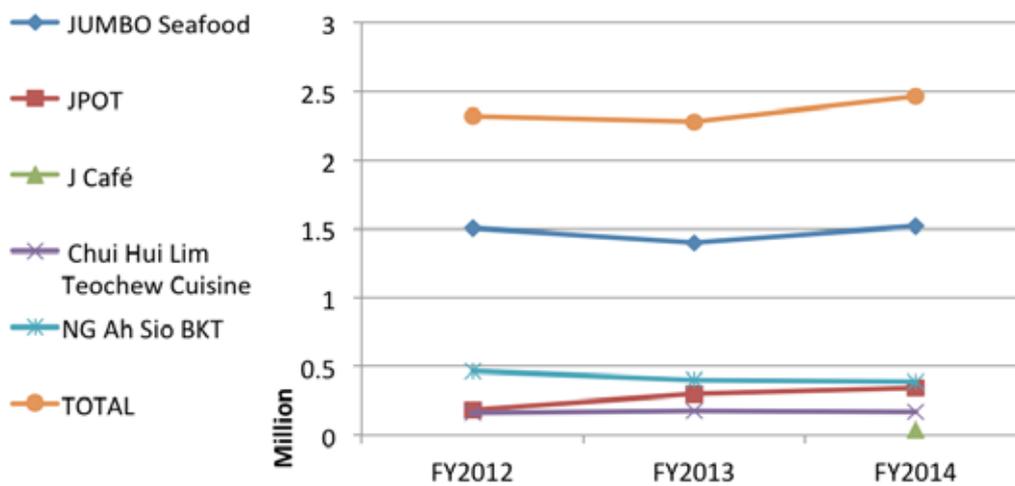


Figure 7.17 Number of Customers

7.2 Financial Results

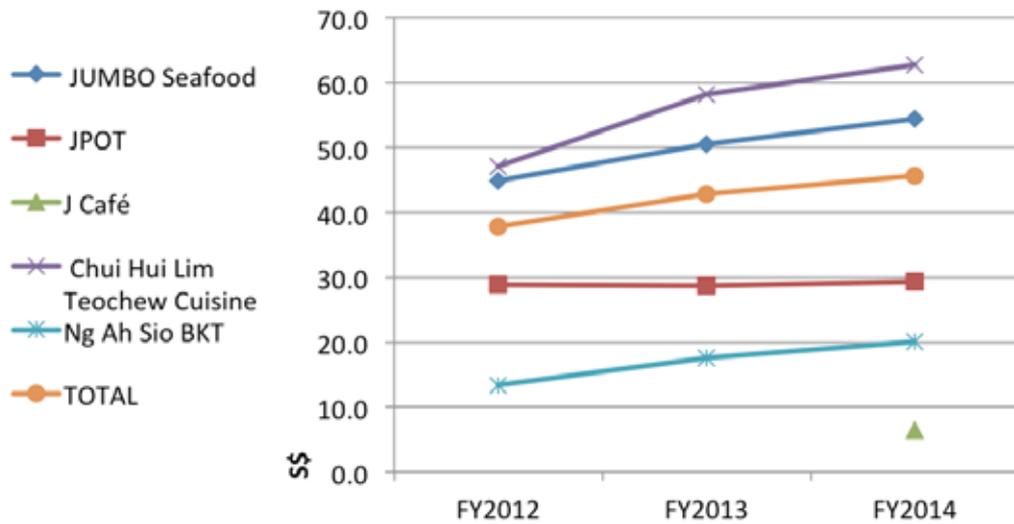


Figure 7.18 Average Spending per Customer

The drop in number of customers in FY2013 was due to the close down of our JUMBO Seafood Waterfront outlet and the increase in the number of competing bak kut teh outlets in Singapore. However, this was offset by the higher average spending per customer which resulted in the overall increase in revenue.

7.2 Financial Results

Revenue per Square Feet

Rental Area (Sq. Ft)	FY2012	FY2013	FY2014
JUMBO Seafood	43,503	40,145	51,501
JPOT	12,574	12,574	19,248
J Café			6,355
Chui Huay Lim Teochew Cuisine	10,171	10,171	10,171
Ng Ah Sio Bak Kut Teh	10,743	10,743	10,743
TOTAL	76,991	73,633	98,018
		(4.4%)	33.1%
Revenue per Sq. Ft (S\$)			
JUMBO Seafood	1,556	1,766	1,609
JPOT	424	684	519
J Café	-	-	42
Chui Huay Lim Teochew Cuisine	750	1,009	1,050
Ng Ah Sio Bak Kut Teh	578	656	729
TOTAL	1,139	1,326	1,147

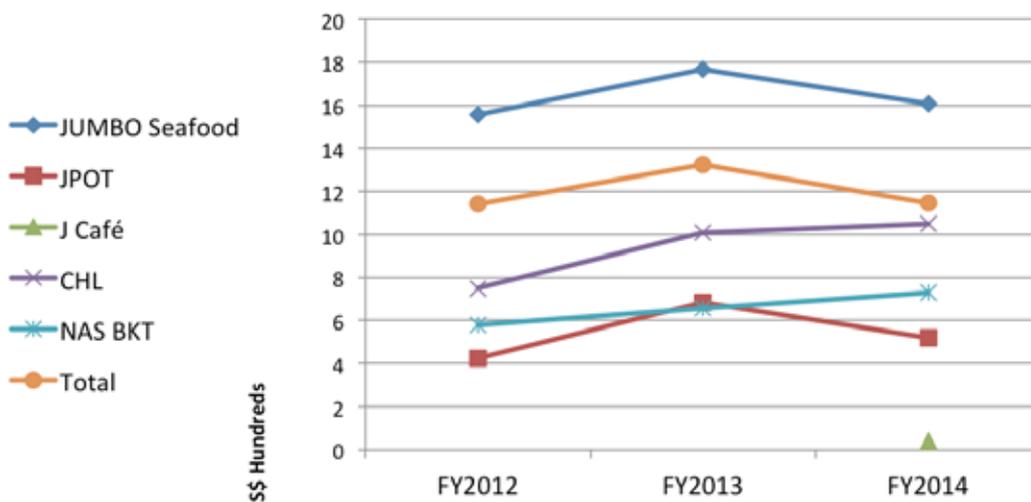


Figure 7.19 Revenue per Sq. Feet

7.2 Financial Results

Revenue per Seating Capacity

Seating Capacity (Pax)	FY2012	FY2013	FY2014
JUMBO Seafood	2,823	2,480	2,760
JPOT	390	390	582
J Café			490
Chui Huay Lim Teochew Cuisine	490	490	490
Ng Ah Sio Bak Kut Teh	365	365	365
TOTAL	4,068	3,725	4,687
		(8.4%)	25.8%

Revenue per Seating Capacity (S\$)	FY2012	FY2013	FY2014
JUMBO Seafood	23,973	28,587	30,017
JPOT	13,684	22,068	17,175
J Café			544
Chui Huay Lim Teochew Cuisine	15,573	20,935	21,793
Ng Ah Sio Bak Kut Teh	17,000	19,310	21,454
TOTAL	21,550	26,208	23,982

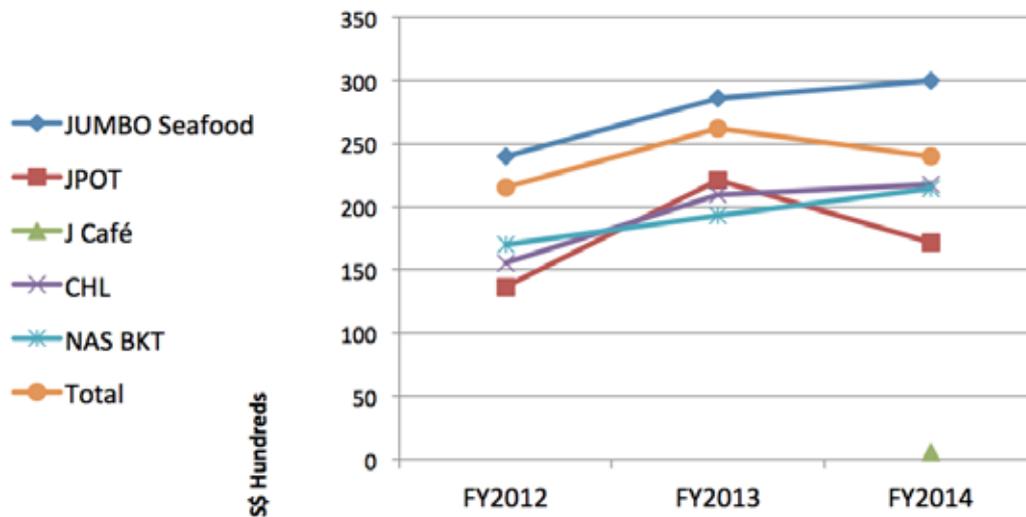


Figure 7.20 Revenue per Seating Capacity

There was a decrease in revenue per square feet and seating capacity in FY2013 due to the closing down of our JUMBO Seafood Waterfront outlet.

In FY2014, there was an overall decrease in revenue per square feet and seating capacity due to:

- The opening of J Café @ the Deck in 2014 selling local dishes such as Laksa and Prawn Noodles, which yields a much lower average spending per customer
- The opening of our JPOT @ Parkway Parade in September 2014 (last month of FY2014) was building its stable of customer.

7.2 Financial Results

Customer to Employee Ratio

Number of Employees	FY2012	FY2013	FY2014
JUMBO Seafood	448	403	504
JPOT	88	81	86
J Café			21
Chui Hui Lim Teochew Cuisine	83	70	73
Bak Kut Teh	58	51	46
TOTAL	677	605	729
		(10.6%)	20.6%

Customer to Employee Ratio	FY2012	FY2013	FY2014
JUMBO Seafood	3,366	3,474	3,016
JPOT	2,105	3,701	3,987
J Café	-	-	1,903
Chui Huay Lim Teochew Cuisine	1,951	2,520	2,333
Ng Ah Sio Bak Kut Teh	7,995	7,900	8,580
TOTAL	3,425	3,767	3,376

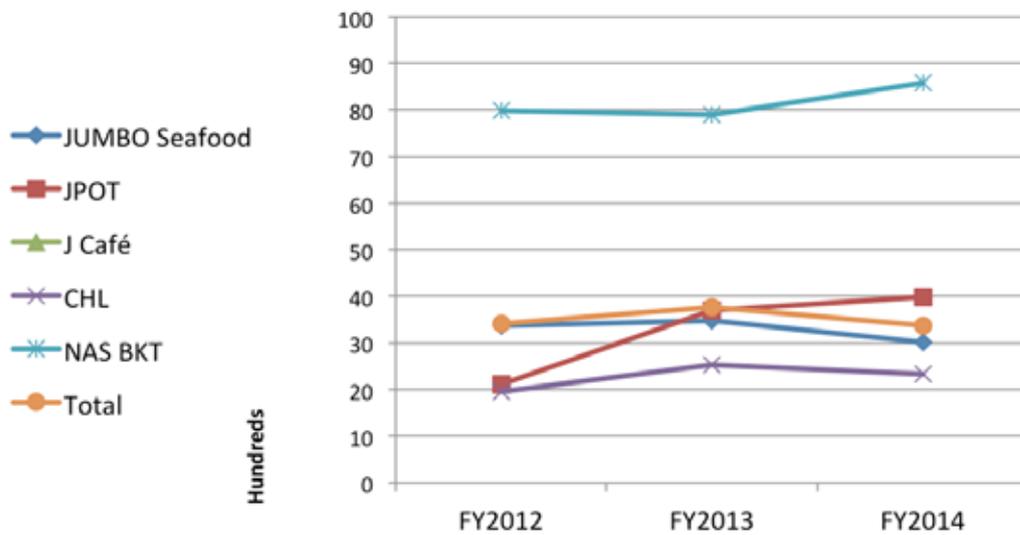


Figure 7.21 Customers to Employee Ratio

The decrease in Customer to Employee Ratio for JUMBO Seafood in FY2014 was largely due to the opening of our Shanghai Outlet in November 2013 (second month of FY2014). JUMBO Shanghai has 98 employees, which is 19.4% of the total number of JUMBO Seafood employees and 13.4% of the total number of employees in the company. However, JUMBO Shanghai contributed a less than proportionate number of customers, 103,809 customers, which is 6.8% of the total number of JUMBO Seafood customers and 3.1% of the total number of customers for the company.

7.2 Financial Results

GEOGRAPHICAL ANALYSIS

Revenue (S\$'000)	Actual				Forecasted			
	FY 2014		1HFY15		FY 2015		FY 2016	
Shanghai, China	6,529	5.8%	4,579	7.4%	9,730	8.0%	29,353	19.7%
Singapore	105,875	94.2%	57,595	92.6%	111,818	92.0%	120,012	80.3%
Total	112,404		62,174		121,548		149,365	

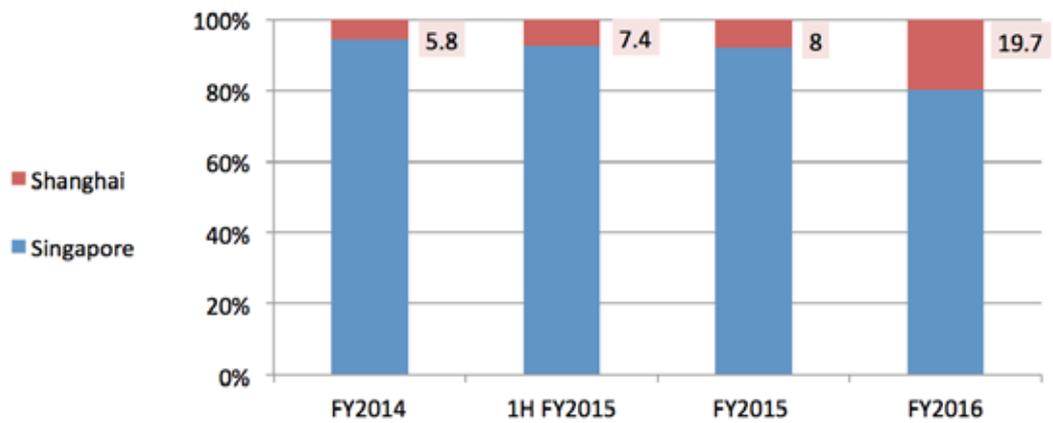


Figure 7.22 Revenue Contribution Percentage – China vs Singapore

7.2 Financial Results

INDUSTRY COMPARISON

Market Share by Revenue (S\$'000)	2012	2013	2014
JUMBO Singapore	87,665	97,624	105,875
Singapore Restaurant Sector	3,042,000	3,299,200	N.A.
Singapore F&B Industry	7,945,000	8,317,000	N.A.
JUMBO as a % of Restaurant Sector	2.88%	2.96%	N.A.
JUMBO as a % of Singapore F&B Industry	1.10%	1.17%	N.A.

Growth Comparison	2012	2013	2014
JUMBO Growth	22.85%	11.36%	8.45%
Singapore Restaurant Sector Growth		1.50%	1.10%

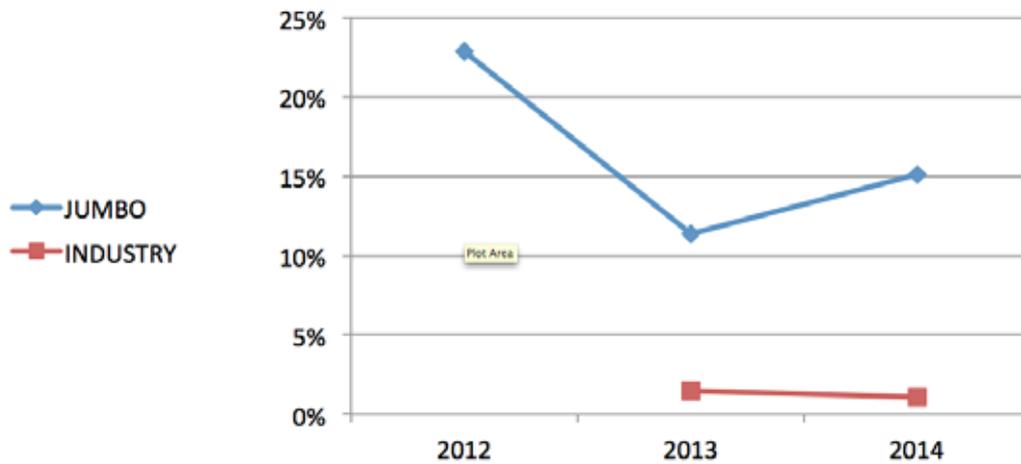


Figure 7.23 Growth Comparison – JUMBO vs Singapore Restaurant Sector ¹

¹<https://www.singstat.gov.sg>

7.2 Financial Results

COMPETITOR COMPARISON

Listed Companies:

- NEO GARDENS
- ABR
- JAPAN FOODS
- SELECT
- SAKAE
- BREADTALK
- TUNG LOK

7.2 Financial Results

Latest Financial Year	JUMBO	(*14 Mths) Neo Gardens	ABR	Japan Foods	Select	Sakae	BreadTalk	Tung Lok
Revenue	112,404	77,401	102,519	62,682	147,024	97,693	589,644	84,985
Gross Profit	70,386	54,854	47,448	52,286	98,533	69,125	310,489	60,783
EBITDA	18,748	13,459	12,549	10,074	14,382	10,102	72,478	4,276
NPBT	15,591	8,830	9,351	5,128	7,091	4,046	22,813	(1,009)
Margins								
Gross Profit	63%	71%	46%	83%	67%	71%	53%	72%
EBITDA	17%	17%	12%	16%	10%	10%	12%	5%
NPBT	14%	11%	9%	8%	5%	4%	4%	(1%)

* Top 3 results per category are highlighted

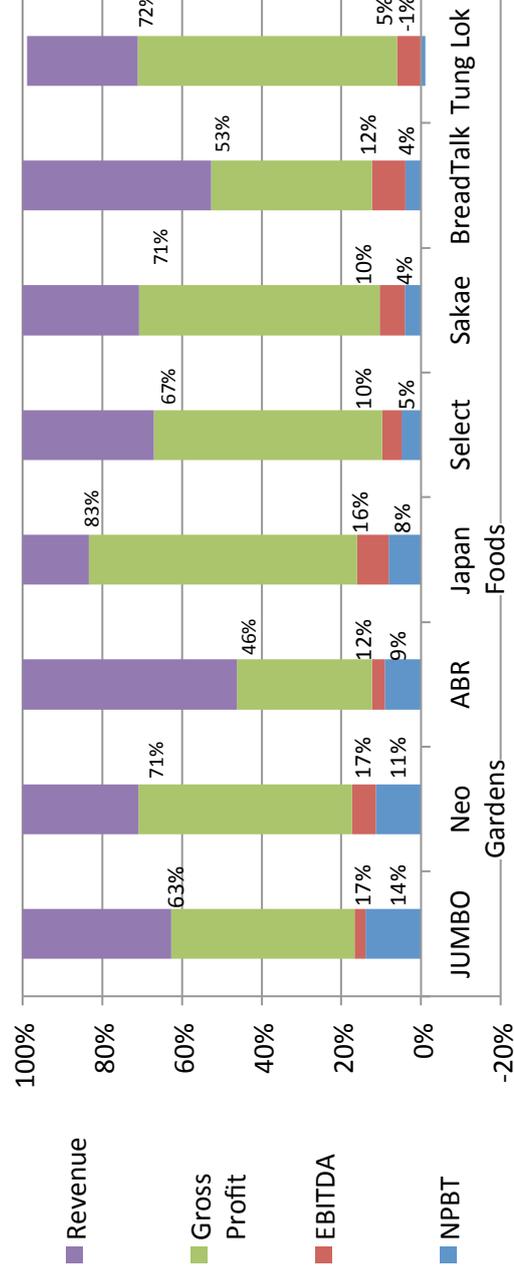


Figure 7.24

Growth Comparison – JUMBO vs Singapore Restaurant Sector

7.2 Financial Results

	JUMBO	(*14 Mths) Neo Gardens	ABR	Japan Foods	Sakae	Select	BreadTalk	Tung Lok
Debtors Turnover	3.9	30.9	4.7	3.4	7.6	15.0	34.1	9.4
Inventory Turnover	4.0	28.7	16.8	22.3	31.8	15.3	13.9	35.1
Creditors Turnover	33.4	131.4	32.1	56.8	83.3	45.3	127.7	55.2
Cash Cycle	(25.6)	(71.8)	(10.6)	(31.0)	(43.9)	(15.1)	(79.7)	(10.7)
Current Ratio	3.2	1.1	5.8	2.8	0.7	0.7	0.6	1.3
Debt to Equity Ratio	0.0	0.9	0.0	0.0	0.6	1.0	1.7	0.4
Return on Equity Ratio	0.2	0.3	0.1	0.2	0.0	0.3	0.1	0.0
Return on Total Fixed Assets Ratio	1.2	0.2	0.4	0.4	0.0	0.2	0.1	(0.0)
Cash & Fixed Deposit	47,437	7,601	82,450	16,418	11,313	16,961	95,452	15,254
Debt & Bank Loans	(745)	(20,219)	(116)	0	(31,181)	(20,076)	(197,819)	(5,249)
Net Cash / (Borrowings)	46,692	(12,618)	82,334	16,418	(19,868)	(3,115)	(102,367)	10,005

*Top 3 are highlighted in Yellow

We benchmarked ourselves against 7 F&B Singapore listed companies. In comparison, Jumbo has:

- ❖ Despite the high food cost of Seafood, which is the main source of our revenue, we still had comparable gross profit margins.
- ❖ The highest EBITDA% together with NEO Gardens
- ❖ The highest NPBT%

We have strong cash flows and pay our creditors on time. Also, we have a very healthy current ratio at 3.2 times. Our Debt to Equity ratio is almost zero and our Return on Equity ratio is very strong at 20%. We have the highest Return on Fixed Assets at a ratio of 1.2 times.

All in all, we are in a very strong cash position with a healthy net cash of S\$ 47million at the end of FY2014.

7.2 Financial Results

SIGNIFICANT AUDIT FINDINGS

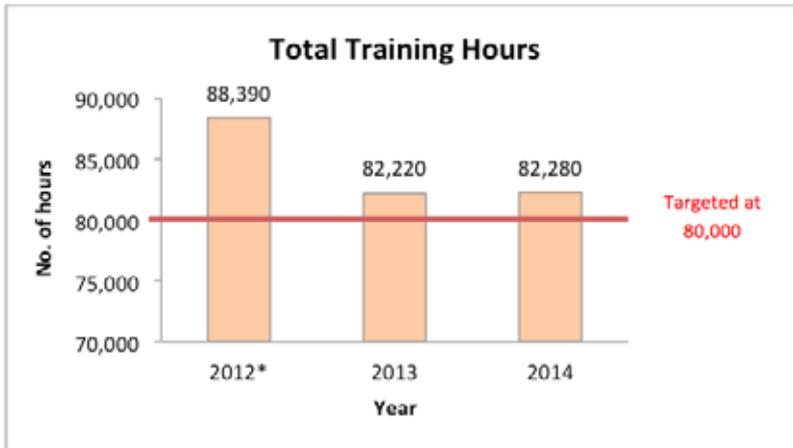
- Delegation of authority matrix
- Segregation of duties
- Duplicate vendor accounts / inactive vendor accounts not deactivated
- Inventory count not performed by independent party
- Conflict of interest policy
- Tagging of fixed assets
- Alignment of bank signatories

We have put in place controls to address the above findings.

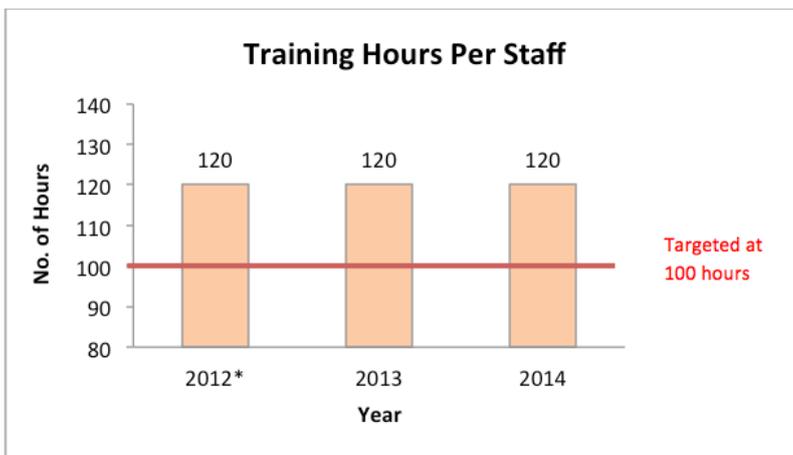
7.3 People Results

Training Hours

	2012	2013	2014
Total Training Hours	88,390	82,220	82,280
Total Training Hours Per Staff	120	120	120



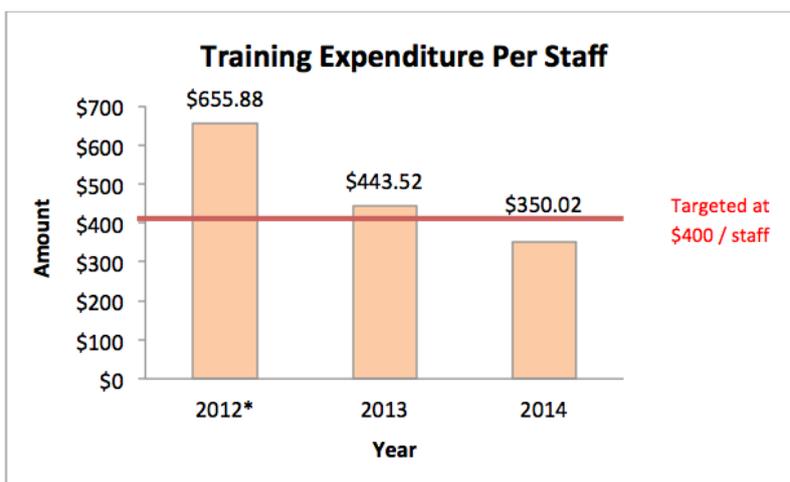
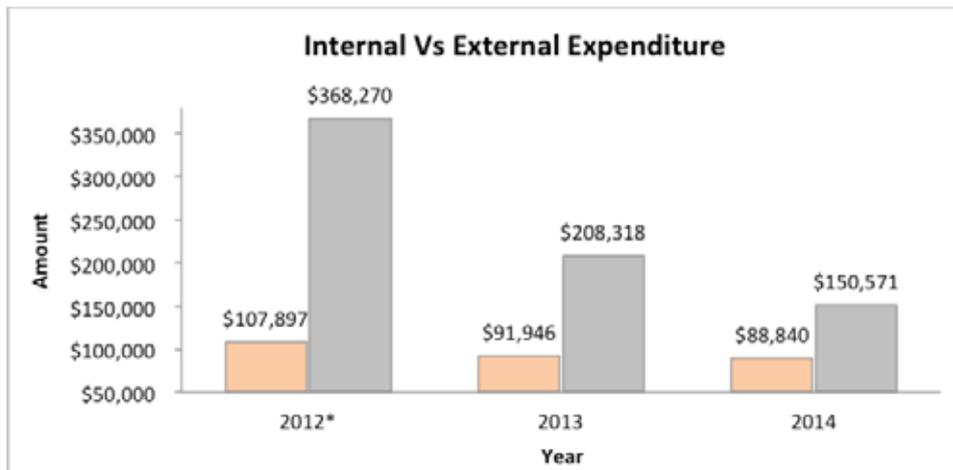
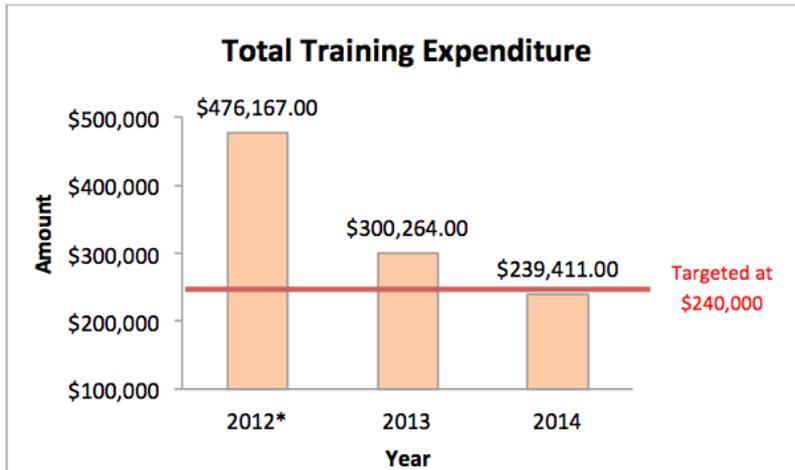
*2012 - sent 20 staff for Nitec Culinary (RAS); \$9600 each



7.3 People Results

Training Expenditure

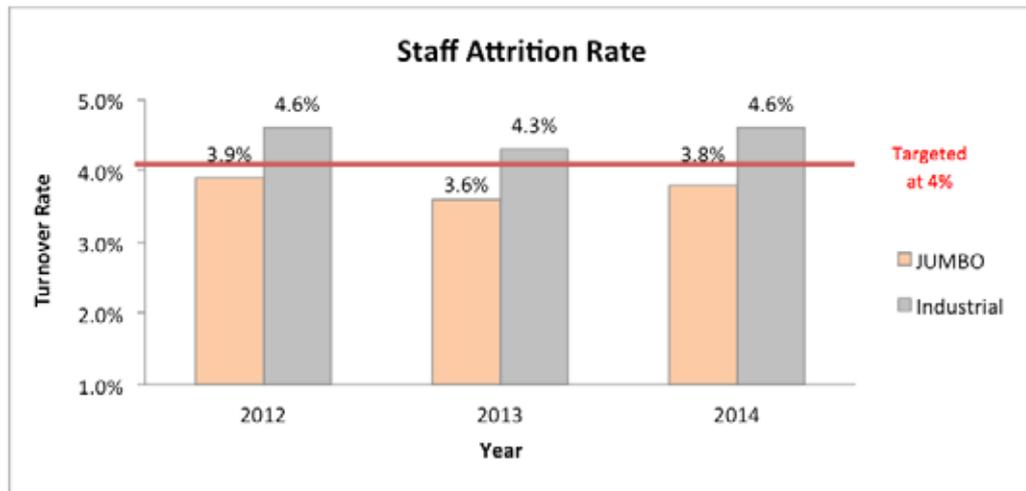
	2012	2013	2014
Total Training Expenditure	\$476,167	\$300,264	\$239,411
Internal Training Expenditure	\$107,897	\$91,946	\$88,840
External Training Expenditure	\$368,270	\$208,318	\$150,571
Training Expenditure Per Staff	\$655.88	\$443.52	\$350.02



7.3 People Results

Staff Attrition Rate

	2012	2013	2014
JUMBO	3.9%	3.6%	3.8%
Industrial	4.6%	4.3%	4.6%



Accolades



新肴珍宝海鲜
Shanghai Tatler Award 2014



卓越服务
由新加坡生产力与标准局颁发

Excellent Service Award 2013
Award by Singapore Productivity and Standards Board



Star Chef
Competition 2013

Asian Cuisine Professional Team Award
(2nd Runner Up)
Asian Cuisine Aspiring Team Award
(1st Runner Up)
Award by Epicurean Star Award 2013



新加坡金字品牌奖
Singapore Prestige Brand Award 12
Winner, SPBA - Established Brands
AN ASME-LIANHE ZAOBAO AWARD



Singapore Enterprise 50 Awards (E50)
Singapore's Enterprising Spirit 2012



Star Chef
Competition 2012

Luzerne Best Appetizer Award
(2nd Runner Up)
Unilever Food Solutions Top Team Award
(Finalist)
Award by Epicurean Star Award 2012



卓越服务
由新加坡生产力与标准局颁发

Excellent Service Award 2012
Award by Singapore Productivity and Standards Board



Maybank Business
Excellent Award

Casual Dining Winner
Award by Epicurean Star Award 2011



The Top 50 Restaurant Awards
2008 & 2009
Awarded by Singapore Business Review



Top 5 Winners
in the Gourmet Choice Awards
Singapore Category 2009
Awarded by Citibank and
The Business Times



新加坡最佳餐饮美食指南2008
Wine & Dine Singapore
Top Restaurants 2008



咸蛋香金虾球
Salted Egg Golden Prawns
Awarded
Best Seafood Dish in Tasty Chef
Restaurant Association Singapore
(RAS) Culinary Competition 2007



得奖佳肴
辣椒螃蟹

Awarded
The Best Chilli Crab in Tiger Beer
Chilli Crab Championship Series 2006



招牌菜黑胡椒获得
“执行人员饮食与娱乐指南”
所颁烹饪技能杰出食品奖
Excellent Food Award

For exceptional culinary skills in Chilli &
Black Pepper King Crab Award by FOOD
& ENTERTAINMENT guide for executives



JUMBO CORPORATE OFFICE
Blk 7 Kaki Bukit Road 1 #05-01 Eunos Technolink Singapore 415937
Tel: 626-JUMBO (6265 8626) Fax: 6749 4955