

## **“Quality Management in SCG”**

**By Mr. Kan Trakulhoon, President & CEO of SCG**

Established in 1913, as the first cement manufacturer in Thailand, SCG has continually evolved and is today one of the leading industrial conglomerates in the ASEAN region with three strategic business units: SCG Chemicals, SCG Cement - Building Materials and SCG Paper. In 2013, SCG had total net sales of 434.3 billion Baht and assets of 440.4 billion Baht, with a total workforce of 49,287 employees, 30% of which are dispersed across the ASEAN region outside of Thailand.

SCG conducts business under the concept of sustainable development, focusing on balancing economic, social and environmental considerations according to the principles of good corporate governance. With the vision to become an ASEAN sustainable business leader by 2015, SCG continues to expand its businesses across ASEAN countries while sustaining the development of communities where it operates by creating higher value to customers, employees and stakeholders under world-class management quality and uncompromising safety standard to assure that excellent products and services are always delivered to customers.

Behind the various successful SCG business strategies and initiatives over the decades, “Operational Excellence driven by Total Quality Management (TQM)” has consistently been SCG core foundation of every activity since 1992. The evolution of TQM in SCG can be divided into 3 main phases corresponding to the increasingly challenging business environment i.e. 1.TQM Introduction Phase (1992-1997), 2.Crisis Overcoming Phase (1997-2005), and 3.Vision Oriented TQM Sustaining Phase (2006 onwards). TQM’s systematic and scientific concepts along with customized practical practices through company-wide efforts have been one of the most crucial driving forces to assist SCG in shaping, making the turnaround as well as transforming the company to the current leading position today. Since its beginning, TQM have consistently ensured that SCG is a customer-centric organization and will be attentively looking for ways to innovate value to customers, both external and internal. In addition, various company-wide initiatives and work improvement projects have also greatly helped companies to maintain competitive cost while enhancing productivity and quality as well as to efficiently use all the available resources to run SCG operations under the considerations of social and environmental benefits.

From the continuous and rigorous commitment in implementation of the above group-wide initiatives and practices, SCG has successfully gained consistent outstanding business results and so far, nine companies under SCG across various business units have successfully won the prestigious Deming Prize, and as a consequence, SCG is currently recognized among the top rank of group-company winners of the Deming Prize outside Japan.