A father-and-son team grew Yang Kee Logistics to a respectable size from its modest beginnings, but the company reached a turning point when the two leaders had different paths in mind.

"I was left to run it, or you run it – and I’ll find my way in the world," he says frankly.

It was in 2011 – 10 years after he first started – when he finally took over the helm of the company. By then, the father-and-son team had led the company to grow to a respectable size from its modest beginnings. From a simple trucking company in 1991, it has since expanded into contract logistics, providing warehousing and transport services for customers.

To date, some key milestones include the award of the site on 8 August 2006, which today houses its headquarters and chemical logistics warehouse, and its S$150 million logistics hub in Tuas South that is currently underway. Today, the company is a global end-to-end supply chain logistics solutions provider, capable of holding its own against established multinationals in its field.

Mr Koh might have joined the family business against his father’s wishes, but he was never one to give up. “I believe that in order for a company to survive, you need a combination (of two things). You need to have professionals running the business. Number two, you cannot have too many family members in the business. If possible, there should be professionals running the business. Number two, you cannot have too many family members in the business. If possible, there should be professionals running the business. Number two, you cannot have too many family members in the business. If possible, there should be professionals running the business."
Finally, it’s the ease of doing business. "People always say that Western economies are slowing down, but I beg to differ. It’s easier to go to the West than to go to the emerging markets. Emerging markets have so many problems that I can’t even start to describe how difficult it is," he says matter-of-factly.

ALL ABOUT THE PEOPLE

Many companies tend to wax lyrical about the importance of their people, but Mr Koh’s entire strategy for growth hinges on his staff. "Nowadays, my people all come from multinationals. Asians – but from multinationals. We are effectively as capable as them," he says, rattling off a string of global names such as DHL and Schenker.

When asked if poaching talent was a tactic that he believes in, he immediately holds up a copy of the Straits Times Press’ Neither Civil Nor Servant: The Philip Yeo Story. "He would describe it as kidnapping talent," Mr Koh says, pointing at the cover photo of Philip Yeo – the current chairman of Spring Singapore, and former chairman of the Economic Development Board.

In fact, it was Mr Yeo who inspired him to think about talent back in 2008 when he came to visit the firm. Mr Koh recalls: "I prepared a 30-slide presentation, but after the second slide, he brushed me off. He asked just one thing: What’s your strategy on people? If you’ve no strategy on people, forget about your other ideas."

It was an eureka moment for Mr Koh. From then on, he started putting emphasis on hiring the right talent. He is a realist when it comes to what attracts them. "First thing is compensation. Ultimately, it still boils down to dollars and cents. We don’t pay top dollar, but we make sure we’re higher than the average."

But he is acutely aware that for many, it is not just about the money, but about a sense of future. "They want to be part of something exciting. And if we can give them something like that, they will be willing to try. You’re effectively selling not what you have now – you’re selling the future," he says.

Other novel steps that the company has taken to make itself more employee-friendly include having transportation, an on-site gym, childcare and even a karaoke lounge – all rarities for many resource-strapped local businesses.

The logistics industry has often been described as 3D – not three-dimensional, but dirty, dangerous and demeaning. For many SMEs in the space, one of their biggest struggles is to secure skilled talent. To address this issue, the company has actively participated in several government schemes such as the SkillsFuture Earn and Learn (ELP) programme and the Professional Conversion Programme (PCP) to ensure a pipeline of talent. Yang Kee Logistics has since hired 17 ELP colleagues, and two PCP colleagues to meet their rapidly growing needs.

Training and development is also a big deal for the firm, with employees receiving an average of 16 hours of training per year. Mr Koh says: "My father and I believe strongly that it is the people here that make Yang Kee what it is today – and tomorrow. We place a lot of emphasis on our people for that very reason."

WHAT’S NEXT?

The next decade for Yang Kee Logistics looks set to be even more exciting, with many new developments in the works. Its integrated logistics hub currently being built in Tuas South – a partnership with Logos SE Asia – will feature the world’s first framed multi-storey automated container depot, slated to be a game changer in the industry to boost productivity gains.

Mr Koh proudly shares that the design for the depot was all done in-house with the company’s own architects and engineers. There are also plans to acquire more companies and expand into more countries. "We’ll never stop," he quips. He also intends to list on a stock exchange by 2020, when its revenue is expected to hit S$1 billion.

When asked about challenges that could derail plans, he says that the answer to the question changes for different stages of the company’s growth. He explains: "If you asked me 10 years ago, I would say it’s money. Five years ago, it’s people. For now – the answer might change next year – it’s . . . people’s perception," he says.

There is a Singaporean perception that foreign is better – which Mr Koh is trying to change. "I think within the logistics industry, there’s this changing perception that Yang Kee is a strong competitor. We have reached a certain critical mass where people from multinationals want to work in this company," he says. "But my resistance is outside the company. It has to do with customer perception. I think Singaporeans need to take more pride in the Singaporean brand. That’s my challenge."