

FINISAR

A Robust Process Towards
STRATEGIC PLANNING
Execution In Business Expansion

Finisar Corporation (NASDAQ:FNSR) is a global technology leader for fiber optic subsystems and components that enable high-speed voice, video and data communications for telecommunications, networking, storage, wireless, and cable TV applications. Since its establishment in 2001, the corporation has successfully established a well-equipped manufacturing facility that is capable to produce a range of high quality products including optical modules and components, cables accelerating storage, data and computing connectivity devices.

With a full support by its corporate headquarters in California USA, Finisar Malaysia shines as the only Multi National Company (MNC) under the MIDA photonic industry portfolio in Malaysia and is able to uphold its reputation as one of the biggest GDP contributors to the economy growth in Perak till to date.

Moreover, Finisar headquarters in the USA regards highly of the achievement showcased by its subsidiary in Malaysia specifically in creating remarkable innovations in optic technology solutions through its Research and Development (R&D) activities.

Finisar Malaysia has invested a total of RM644 million for a duration of 10 years in R&D activities that enables the entity to achieve the targeted NPI (New Product Introduction) development turnaround time to six months for a new product. Moreover, the headquarters has also sent an array of new product designs to Finisar Malaysia for testing purposes which indicates that they confide in the capability of this distinguished entity.

The company has employed 5,926 people with a ratio of 82 percent being female

employees, serving customers in more than 20 countries around the globe. Finisar Malaysia intensely trusts their employees as their employees stand as the main pillar in bringing triumph to the entity.

Concurrently, all the staff are committed to embrace company's core values of Honesty, Respect, Integrity, Quality and Teamwork which actually creates a positive culture and environment that drives everyone towards the same path of business excellence.



Developing A strong strategic planning

The strength of this company in expanding its business lies in the ability of developing a robust business strategic planning and materialising those plans.

Although these activities take up time and resources, Finisar Malaysia always ensures that the business plans and strategies are comprehensive in covering various aspects of business opportunities and challenges.

Yap Suan See, the Managing Director of Finisar Malaysia explained that “These strategies will help our people to know what they should be working on, and what they should be working on first. These plans guide us and prevent our people from putting their best efforts into areas that have little to no effect on business expansion.”

“It is a must to align all activities with priorities to ensure our strategies and initiatives succeed. Our planning is guided by five clear strategic goals which emphasise on efficiency in technology and the well-being of all people. In a nutshell it is an overall plan in ensuring how a specific plan is carried out based on the resources that we have and at the same time optimising the workforce without energy exhaustion.”



**Mrs Yap Suan See,
Managing Director,
Finisar Malaysia**

Reaching greater heights upon recognition

In 2012, Finisar won the MRV Outstanding Supplier Award and Fujitsu Advanced Supplier Award as well as Huawei Excellent Core Partner Award and Deloitte Technology Fast 500 Award. Following that, they also won several awards in 2013, namely Fujitsu Advanced Supplier Award, H3C Partner Award and Datang Excellent Supplier Award. They continued to strive excellence in 2014 by winning the ZTE Best Performance Award, Avaya Key Supplier Award and other reputable awards. Consequently their success led in achieving the FiberHome Core Partner Award and Hitachi Excellent Supplier Award in 2015.

Not only that, Finisar was listed as one of the Top 10 Most Competitive Optical Components producers for three consecutive years from 2013 to 2016. In 2016, the company won the Industry Excellence Award under Open Category (Multinational Company) by Ministry of International Trade and Industry (MITI) for its outstanding growth and performance. These constant recognitions inspired Finisar to think broader and be bolder day by day in giving their customer the best. These recognitions and awards especially stand as motivating factor in achieving greater heights in the future.



Furthermore, the short and long-term plans are reviewed and updated periodically to ensure the company keeps abreast with current issues addressed by customers, as well as the booming of latest industries, competitors and performance trends.

Yap added “At Finisar, we collaborate and network with our external sources namely our customers, suppliers, government, educational institutions and other related agencies in identifying current changes and prospects. We are implementing a Risk Management Strategy (Business Continuity Planning) so that the entire planning process is able to respond quickly to the changes while maintaining Finisar’s reputation.”

“The adjustment is very important and needs to be consistent with our ultimate goal which is to be the leading optics supplier in the LAN, SAN and Telecom markets.”

Not only that, the employees’ involvement in the development of strategic planning is crucial in gaining full support from the employees. Yap said, “If employees agree with the strategy that they have developed, they are usually more than willing to participate and understand the change process.”

Finisar Malaysia provides various channels including Let’s Chat, Interviews, Toll Free, Lighthouse, Suggestion Box, Walk-in Discussion with HODs, and Employee Dialogue Session as means in obtaining feedback and obtaining ideas from the employees. Yap added “We receive more than 200 ideas every year and some of the ideas are included in the plans. We want our employees to be a part of this process and this will ultimately bring greater opportunities for business viability.”

Let’s Chat

Interviews

Toll Free

Lighthouse



Establishing Various Channels in Encouraging Employees Participation for Developing Strategic Planning



Walk-in
Discussion
with HODs

Suggestion
Box

Employee
Dialogue
Session

Approaches to deploy the plan and monitor the progress

The management team at Finisar Malaysia uses several quality tools to identify, monitor and evaluate the progress of implementation against the goals towards accomplishing it. They use Kepnor Tregoe, Kaizen, DMAIC (Define, Measure, Analyse, Improve & Control) Six-Sigma and PDCA (Plan, Do, Check & Action) that allow the team to think constructively for resolving any problems which hinder the company to excel.

A strategic plan is not the sole factor of success, the deployment system and the entire works related to the plan aids in building a strong base of the success. Yap elaborated “Our strategy is the framework for our success, but it takes much more than just a sound plan to consistently deliver exceptional results year after year. The most important action after setting up the plans is to cascade those plans to the next level of deployment.”

“The HODs are responsible to discuss with their managers in setting up new targets for departmental KPIs towards achieving ultimate organisational goals. We use the SMART (Specific, Measurable, Achievable, Relevant & Time-Bound) methodology to identify reasonable targets for each KPI set for employees and ensure these targets are achievable. Then, managers are accountable to make their subordinates understand and agree on those targets before executing any plans. The KPIs performance reviews are regularly conducted on quarterly basis to assure the progress is in line with the goals set.”

Yap went on by saying “Our team is able to manage financial and other risks as we have a clear process to evaluate our achievements and act accordingly in order to ensure the positive outcome is sustained and is continuously improved. We have also subscribed to the Oracle E-business Suite application that helps us to handle the complexities of global business environments.”

Through this application, Finisar Malaysia is able to manage any obstacles that are related to meeting expected delivery to factory schedule, production expansion cost as well as issues on factory labour sufficiency and potential investments on equipment for matching of supply & demand plans. Not only that, the senior management team discusses on operational issues that cover strategic plans in addressing and realigning the system in meeting global market volatility. This discussion is held on weekly basis.

“We do equip our staff with appropriate problem solving techniques through several in-house and on-job trainings. This is to ensure that they are able to resolve problems or changes systematically. I am proud to announce that Finisar Malaysia has outperformed other subsidiaries as we have reduced our operation and production costs up to USD3.5 million for three years through this initiative.”

Yap Suan See

Employee engagement : The key to improving performance

A forceful plan will not be able to succeed without the involvement from all levels of employees. Similarly, organisations with high employee engagement outperform those with low engagement. Finisar Malaysia believes that augmenting employee engagement is crucial in gaining greater capacity for innovation, higher retention rates, less absenteeism and fewer work-related accidents.

Yap further explained “At Finisar, we practice a process improvement culture whereby all employees are made compulsory to participate in any improvement project for enhancing their work efficiency. These activities are linked with individual KPIs.”

The company has also organised various informal activities such as employees’ birthday celebration, *gotong-royong*, Charity Day event, blood donation day, health talk, and briefing on safety and security as a platform in engaging and boosting employees’ motivation.

In addition, Finisar celebrates major festivities to strengthen the bond among their employees. In fact, the HR Department has drawn out plans and programs in building skills and increasing work performance among

employees according to the years of service at Finisar. This is another way to vary their performance at work and provide them learning opportunities to improve not only in work but as an overall person.

Yap concluded “We have given our best to retain our staff. Finisar Malaysia has developed a clear career path for all employees including our operators. It is much believed by many employees that reaching the status of a manager is highly impossible for operators, however, at Finisar we have paved a pathway of success for operators in becoming managers.”

“Here, we value work skills and identify capabilities and do our best in career growth. We have also introduced the EAP (Educational Assistance Program) to encourage all staff in upgrading their education qualification.”

“Not only that, we provide an estimated budget of RM500,000 per year for SETUP (Strategic Employee Technical Up-Skilling) program, giving opportunities for engineers to pursue on master program at local universities. All these are the initiatives that are carried out to ensure all employees’ capabilities are harnessed and this ultimately upholds Finisar’s philosophy of *‘Scaling the Heights of Excellence’*”.