

Businesses must transform to stay ahead: Heng

Firms have to find own solutions but Govt will partner to help, he says at E50 Awards launch

Lim Min Zhang

With the rapid pace of change in the economic landscape and uncertainties in the global economy, businesses must take the necessary steps to transform to stay competitive and relevant, said Finance Minister Heng Swee Keat yesterday.

But there is no “one-size-fits-all” transformation strategy, he noted, saying companies have to examine their business processes and industry conditions to find their own solutions. The Government is committed to partnering with them to transform, not just at the firm level but also at the industry level.

Mr Heng, who is also chairman of the Future Economy Council, was speaking at the launch of this year’s Enterprise 50 (E50) Awards at Andaz Singapore, where he also launched The Business Times’ book *Leaders of Transformation*.

It features 26 businesses in a range of industries, from precision engineering to hospitality.

Mr Heng, who today takes on the role of deputy prime minister and will deliver his first May Day Rally speech, said he was particularly happy to see that these employers invest in growing their workers’ skills, often through on-the-job training.

“By putting workers at the heart of the company’s transformations, they can succeed,” he said.

Other common themes among the companies featured include using automation, like deploying robotics, to improve efficiency and free up workers to do other jobs.

Another theme was digitalising, which helped cut down on paperwork that used pre-



Finance Minister Heng Swee Keat (third from left) speaking at the launch of this year’s Enterprise 50 Awards yesterday with (from left) Mr Ong Pang Thye, managing partner of KPMG Singapore; Mr Raymond Lim, associate director of Elmich; and Mr Toby Koh, group managing director at Ademco Security Group. ST PHOTO: YEN MENG JIIN

cious resources.

Yet another transformation strategy is to break out of old operating models and innovate. This means investing in technology and coming up with new products and ideas or venturing to new markets abroad.

“Taking the critical step to transform is often not easy,” he said. “While change must start from the top, it will not happen unless the leaders of the company are able to convince and assure their employees that the changes are necessary,” he added, lauding the persistence and hard work of the featured firms, the leaders and their workers.

Even for these companies, transformation is not a destination but an ongoing journey, he noted.

“It’s a marathon that we are on.”

Assuring businesses they are not alone in this race, Mr Heng said agencies such as the Economic Development Board, Enterprise Singapore and the Agency for Science, Technology and Research are ready to back transformation efforts, whether in internationalisation, research and development, or skills upgrading.

Enterprise Singapore supported about 7,000 capability-upgrading projects last year, which were estimated to generate \$10.2 billion in value-add and 10,500 skilled jobs.

Mr Heng called on the nearly 200 business leaders in the audience to be ambassadors for change, and collaborate “so that we can come together to transform Singapore’s economy for the long term”.

“When everyone embraces the need for change... it will put us in a strong position to seize the opportunities available and thrive for years to come,” he said.

At a panel discussion, Mr Toby Koh, group managing director at Ademco Security Group, said ensuring workers’ buy-in is essential to driving change.

“Sometimes, innovation cannot come from within the current organisation, and that’s where we need an external team. Eventually, we will amalgamate them,” he said.

Mr Raymond Lim, associate director at engineering solutions company Elmich, said joint ventures with key partners abroad helped it tackle the challenge of finding local workers willing to work overseas.

Now in its 25th year, the annual E50 Awards recognise the 50 most enterprising, privately held local companies in Singapore. They are co-organised by KPMG in Singapore and The Business Times.

A special 25th Year Digital Economy Award will go to an enterprise that could be the next billion-dollar company in the near future, said Mr Jonathan Ho, head of enterprise market at KPMG in Singapore.

Nominations for the 2019 E50 Awards close on June 30.

The 2019 E50 list will be announced at a gala dinner on Nov 26.

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