

MTI helps Singapore firms to level up, scale up and team up

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No matter their size, Singapore companies need help to digitise their businesses, adopt innovations and venture overseas, several MPs said in Parliament yesterday.

Sharing industry feedback, they said during the debate on the Ministry of Trade and Industry's (MTI) budget that many companies still need customised help despite the multitude of schemes available.

Mr Teo Ser Luck (Pasir Ris-Punggol GRC), a former minister of state for trade and industry, posed several questions on the issue, pointing out that local firms have been urged to transform, automate and digitise for years, but still encounter obstacles.

Citing his recent visits to small businesses such as florists, dry goods packaging firms and chwee kueh (Teochew steamed rice cake) manufacturers, Mr Teo said many small businesses do not know the "winning formula" to move away from their labour-intensive pro-

cesses. But this should not stop the push towards technology, he added, as he asked MTI to share its plans on how it intends to bolster local enterprises.

Agreeing, Mr Liang Eng Hwa (Holland-Bukit Timah GRC) said the impending tightening of the foreign worker quotas for the service sector will be painful to companies.

"How can we help these businesses reduce their dependence on foreign labour? How can we help them be more labour efficient by adopting technology and digitalisation?" asked Mr Liang, who is chairman of the Government Parliamentary Committee for Trade and Industry as well as Finance.

Replying, Senior Minister of State for Trade and Industry Chee Hong Tat said the Government cannot pretend to know what each firm needs, and businesses cannot start their transformation journey by asking what grants are available.

"Enterprise transformation must start with a vision of what the business wants to achieve, what problems it wants to solve and what

capabilities it needs to build to reach its goals."

Only then can firms look at what schemes and grants support the company, Mr Chee said.

He gave the MTI's three-pronged approach: Level up, scale up and team up.

Levelling up means strengthening business capabilities through technology adoption and re-engineering processes, but it must also include worker training, he said.

"Transformation may be technology-driven, but it should remain human-centric and people-led."

The Government will also help companies scale up locally and abroad, he said, pointing to various measures start-ups can tap, including financing, networking and mentorship programmes.

Firms that team up will have better opportunities when they expand. "Collaborations among enterprises can support capability development to test-bed innovative solutions and form business alliances to capture opportunities here and overseas," he said.



Mr Alan Phua (third from left) and Ms Verleen Goh (fourth from left), co-founders of local start-up Alchemy Foodtech, with their team. Mr Phua said an Enterprise Singapore grant helped his firm take its food technology to market when there was no certainty of research success. PHOTO: ALCHEMY FOODTECH

Small and medium-sized enterprises (SMEs) told The Straits Times government support and financing are often the most critical initially.

Mr Alan Phua, 36, who co-founded start-up Alchemy Foodtech in 2015, said an Enterprise Singapore grant helped his firm take its food technology -

which lowers the blood glucose levels of staple foods - to market when there was no certainty of research success.

"It was difficult to get private funding at the concept stage to finance the research."

His technology is now used by breadmaker Gardenia and restau-

rant chain Han's, among others.

But Mr Chee cautioned that few start-ups succeed while many fail.

"If we have zero tolerance for failures and mistakes, innovation and entrepreneurship will have zero chance of succeeding," he said.

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