

# Institute to help SMEs with research, consulting services

By **YASMINE YAHYA**

UNITED Overseas Bank (UOB) and the Singapore Management University (SMU) have teamed up to help small firms in the form of an Asian Enterprise Institute.

The facility aims to provide small and medium-sized enterprises (SMEs) with research and analysis on economic trends and subsidised consulting services.

The institute has received \$10 million in initial funding – \$3 million from UOB, \$2 million from UOB's business, commercial and corporate banking customers and a \$5 million matching grant from the Ministry of Education.

It will continue running an existing programme that provides heavily discounted consulting services to SMEs.

This programme has been run by the UOB-SMU Entrepreneurship Alliance, a partnership formed seven years ago.

About 170 firms have so far received such help in areas ranging from financing to branding from 560 senior-year SMU students.

An SME pays between \$500 and \$1,500 for a 10- to 12-week consulting project. A professional consultant firm would charge \$15,000 to \$20,000 for a project of the same duration, noted SMU senior lecturer of finance Ang Ser-Keng, who is also the director of the institute.

SME owners are more savvy these days and want to make business decisions based on data analysis which this programme allows without stretching their limited resources too much, he added.

Dynaforce, a supplier and distributor of fitness equipment, decided to give the programme a shot a few years ago.

Founder Jimmie Lee said he was surprised by the results: "We were not expecting much.

"But the students were not working for the money. They were working for the experience and to get a taste of how business works in the real world so we received much more than what we thought we would."

The institute will also conduct a biannual business intelligence survey to provide SMEs with commentary and analysis of the global and Asian economic outlook and expansion strategies of SMEs in the region.

Next year it will launch an on-line resource centre for SMEs to exchange ideas.

UOB's group commercial banking chief Eric Tham said the bank also benefits from the initiatives.

"We want SMEs to be strong. When they progress, it's good for the bank. They will come back to us and say, 'We have a project, we need more funding,' and that is good for us."

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