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Singapore Chinese Chamber of Commerce & Industry

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MCI: Driving SME digitalisation via the Trade Association Hub

Madam Speaker, Members of Parliament, good afternoon! The government has announced that 10,000 civil servants will be trained up in digital capabilities, to better support innovation and cultivate the entrepreneurial spirit. Taking this lead is an excellent initiative. Today, the topic I wish to discuss is how to drive SMEs' digitalisation.

Firstly, the SCCCI welcomes the "SMEs Go Digital Programme", and we shall be actively helping SMEs to adopt digital technology. Later this month, the Chamber's office will be relocating to the Trade Association Hub in Jurong East. More than 20 trade associations will come on board with us. The Trade Association Hub will be the base from which we shall be promoting the digitalisation of enterprises.
We have specially set up the Trade Association Committee to help industry associations integrate resources, improve capabilities, promote collaboration amongst trade associations, build up partnership relations, and provide a platform to channel feedback to government agencies. One of the important areas of the TA Committee's work is to help local enterprises go digital.

For many years now, the Chamber and the Info-communications Media Development Authority has worked closely together to help SMEs adopt infocomm technology, and promote iSPRINT. This has helped us to accumulate valuable experiences. This time, we hope to continue to work closely with IMDA, to drive the "SMEs Go Digital Programme" in a big way.

Making digitalisation a reality involves two factors; one is system, and the other is workers. The Chamber's subsidiary, the Singapore Chinese Chamber Institute of Business, will be doing its best to help trade associations train their workers. But the other challenge of promoting digitalisation is how to apply a standardised system to improve the effectiveness of the whole industry.

In the interconnected Internet world, companies need to plug into a collaborative network. The effectiveness of digital technology could only be evident if the system is compatible with that of your customers, suppliers and partners. If not, the transfer of large masses of data could cause system errors. Such procedural defects that occur willy-nilly could frustrate SMEs and make them lose faith.

Applying a standardised system for the industry is likened to learning a common language to facilitate communication. Recently, many F&B establishments are using the electronic menu ordering system. Customers who frequent different restaurants first need to study how to use their systems. After being accustomed to Restaurant A's system, you need to start over with Restaurant B. Starting from the menu selection, serving of food to paying the bill, the entire process is fully automatic. Businesses could even use the data captured to analyse which dishes are the most popular and decide on the quantity of ingredients to purchase. These are all decided advantages.

But from a deeper consideration, if every restaurant uses its own system, we could never standardise the worker training curriculum. Moreover, customers' easy adaptability to the system would determine their continued patronage. If F&B players use a common system, the entire process of customer acceptance could be accelerated.

This simple example allows me to clarify that in the journey of digitalisation, trade associations and industry associations must consider the big picture of the whole industry, including problems which may be encountered by related industries. They should not digitalise for the sake of doing so. The budget has already announced certain sectors which will receive support first, including retail, food services, logistics, etc. Everyone must work together - relying on the capacity of the SME Technology Hub, and leveraging on the assistance of the "SMEs Go Digital Programme"- so that they may discover the benefits of digitalisation.