

**Opening Ceremony of the 17th Annual SMEs Conference,
18th Infocomm Commerce Conference and SME Expo 2015**

Speech by SCCC President Thomas Chua

Time: 9.30 am, August 19 2015

Venue: Suntec Singapore, Hall 404-406

Honourable Minister for Trade and Industry Mr Lim Hng Kiang

Excellencies, senior government officials

Distinguished speakers and friends

Council members and members

Ladies and gentlemen

Good morning to everyone, and a warm welcome to this huge business conference. This year's theme is "The New SME: Think Creatively, Act Innovatively". The 2-day conference and expo has attracted more than 5,600 participants, surpassing all previous records. This shows that our friends from the local business community regard the annual SMEs Conference, Infocomm Commerce Conference and the SME Expo as annual learning opportunities. I would also like to welcome the delegations from Johor Associated Chambers of Commerce and Industry and the Johor Bahru Chinese Chamber of Commerce from Malaysia for your attendance today.

In keeping with the Conference theme, we have also upgraded our Conference management system. The big data analytics helps us to pinpoint and determine the interest areas of participants more accurately. During the registration just now, the QR code scanning system used by our staff is useful in streamlining the registration process. On the other hand, it can also track each person's attendance at specific panel sessions or workshops, and zero in on identifying the most popular tracks for these 2 days. Such findings would facilitate us in improving our service levels.

Although local SMEs are striving hard to innovate, there are still many areas needing improvement. The SCCCI conducts an SME Survey every year. The sample collection stage has just been completed, with 756 enterprises participating in the 2015 survey. Findings of the survey indicate that 90% of respondents have adopted measures to increase productivity for their companies, while 74% of respondents have applied for government assistance schemes. 51% of companies have adopted new technology or purchased automation equipment, up from last year's 42%. Even though everyone is trying hard to raise productivity, and we have also seen a high take-up rate for government assistance schemes, business upgrading always needs the injection of new ideas and methods. Hence, new to this year's SME Expo is a special "Smart Tech Show & Tell" session, which will showcase 17 customisable technology solutions suited for SMEs. Do come forward to attend the demonstrations and briefs by the experts.

This year's SME Survey includes another encouraging set of statistics related to small businesses. 92% of micro-enterprises have already adopted

measures to drive up productivity, ahead of last year's 86% and 82% in the preceding year. We are seeing a positive and gradual increase year after year. Although small businesses have to overcome a greater number of obstacles in their transformation journey compared to the medium and large enterprises, they remain committed to the productivity drive. More details of the SME Survey will be revealed next month, and we will then be extending a report to the various government agencies. I also take this opportunity to thank the companies which have participated actively in the survey, especially our trade association members. Your support enables the Chamber to channel timely and accurate feedback to the government.

Is there any other model to improve productivity? In June this year, I went on a business mission to Italy together with SME bosses from the food and restaurant industry. It was a very intensive 7-day mission whose itinerary encompassed visits to companies and meetings. I have often heard about the strong family business culture among Italian businesses – the strong and frequent bonding among family members, and that the younger generation is willing to strive hard to sustain the reputation and legacy of the family business. On this mission to Italy, my personal observation was that the strong family culture is apparent in every aspect of their operations. For example, owing to the strong family value, Italian companies are willing to invest in automation primarily to lighten the worker's workload and ensure that they can thus spend sufficient time with their families after work each day. The motivation for raising productivity thus comes from within, quite independent from any government drive. Since the employees themselves

stand to benefit, it is natural for them to be committed in the push for productivity.

This time, the Italian businesses we visited were all family businesses, some having been passed down to the 6th generation. They had witnessed two world wars and survived many ups and downs in the economy. Many of the ownership rights and operational rights of these companies are still 100% family-owned. They are not only focused on increasing productivity, but concentrate on excelling in their core expertise, and expand in upstream and downstream business activities to guarantee that the quality of their core product meets the expectations of their clientele. The business leaders of each generation throw themselves passionately into the business established by their ancestors, are unlikely to diversify into other areas, and concentrate on upholding brand loyalty; these family businesses have thus succeeded in sustaining the business generation after generation. Moreover, the Italian government did not provide all kinds of assistance schemes. Enterprises in Italy have to depend on their own hard work and the support of their employees. This business ethic is certainly worth learning.

The Chamber is also doing research on local family businesses, from which we are identifying even more successful stories for everyone to take reference from. Today, we have arranged for two tracks on family business. In the morning we have five young people who will share their experiences of how they proved their worth through individual efforts; in the afternoon three council members of the Chamber, who are already established successors of their family businesses, will describe their journey of continuously leading and

growing their business. The tracks were arranged in this way to give the audience alternative perspectives pertaining to family business succession from people belonging to different generations.

The 2-day conference presents a most interesting and packed 2-day programme – expect to hear from overseas management gurus armed with both theoretical and practical experience; local entrepreneurs, business successors, senior management personnel who will provide key insights; also present are professionals, consultants, and a one-stop service hub in the form of a Government pavilion consisting of 10 government agencies.

On this note, I would like to express my gratitude to all distinguished speakers and session moderators for sharing your experiences freely! Your efforts in the areas of innovation and increasing productivity have the singular objective of helping local enterprises to achieve vibrant growth, and to look towards the next 50 years based on the foundation of Singapore's first 50th anniversary of independence.

Finally, I would like to thank Minister Lim Hng Kiang for joining us personally at this Opening Ceremony, and all conference partners, sponsors and the media for your strong support. I wish everyone a fruitful 2-day conference.

Thank you!