

Digital age means companies can be born global players: Iswaran

Lee U-Wen

The Business Times, 14 July 2016

BUSINESSES and entrepreneurs now live in a highly digitised world that makes it possible for them to scale up quickly and succeed, and this is an advantage for smaller countries such as Singapore.

Industry Minister S Iswaran, making this point, said on Wednesday: "Traditionally, the thinking has been that if you have a small domestic market, you have limited capacity and you have to internationalise. This has always been seen as a constraint for us."

Speaking at the final session of the two-day Conference on the Future Economy, he added: "(But) we are now in an environment where because of all the digital connectivity, businesses can literally be born global."

The minister, who has co-chaired the high-level 30-member Committee on the Future Economy (CFE) since its chairman, Finance Minister Heng Swee Keat was taken ill, said that whether companies make it big depends largely on the quality of their offerings.

He told his audience at the event organised by the Institute of Policy Studies and the CFE: "If (you are) a digital product or service, you can scale up very fast, it's exponential and it can happen overnight. If (you are) in the more traditional manufacturing area, then it will require a bit more work, but there's still a lot of potential."

He was on a panel with three other CFE members - Shell companies Singapore chairman Goh Swee Chen, Google's vice-president of product management Caesar Sengupta, and apparel maker Sing Lun Holdings' chief executive Mark Lee.

Earlier in the hour-long dialogue, Mr Sengupta made the point that small groups of entrepreneurs can tap the power of technology and the Internet to turn successful ideas into thriving businesses.

He cited the example of Nintendo, which recently released a new mobile game, Pokemon Go. Now among the most downloaded and top-grossing smartphone applications in the world, the game has boosted the Japanese videogame maker's market capital by US\$9 billion within a few days of its launch.

"(That game) was created by a small group of people. When I look at it, I think that we in Singapore can do that too," said Mr Sengupta, the co-chair of Disruptive Technologies, a group formed under the CFE to recommend national responses to the opportunities and challenges posed by disruptive technologies.

He added: "We have the talent here. We have access to the markets and the right kind of infrastructure. What we have to focus on as a nation is to turn more towards creative efforts ...

"If children in every school are taught to think about competition and creation, that would really position us very well for the future, where a small group can create a massive business."

Sing Lun's Mr Lee said there is "no shortage of capital" in Singapore, so long as one has a business model that enables the company to scale up.

"When the business model is correct and when you can tell the story correctly, then I think it's more about building a team around you, and then having that courage to move overseas," he said.

Mr Iswaran took the opportunity to reiterate the role and work of the CFE, which is in the middle of a year-long process to develop economic strategies to position Singapore for the future.

The high-level group is reaching out to various groups of stakeholders to canvass views that will eventually lead to good ideas and proposals for the government to act on.

"The nature of the challenges we face is complex and evolving. We need all hands on deck to bring together the best possible ideas and understanding in order to synthesise the specific courses of action," he said.