

TECHNOLOGY has shaped lifestyles and businesses immensely. The use of devices such as smartphones and tablets has permeated daily activities to the point where they have become a functional necessity in society. It would have been unthinkable a little more than a decade ago that today we can shop online while on the move, or that a ride-hailing company could offer services to users and drivers jointly through an app.

Ride-hailing companies or e-commerce services do not develop technology; they adopt technology by innovating to create powerful systems specifically suited to their business. Innovation can be developing new or better processes, the newest technology, a new way of using space, or introducing new and improved products and services to the market.

The digital economy is one of the key drivers for Singapore's growth in the long term, with innovation and productivity crucial to this growth. This presents many opportunities for small and medium-sized enterprises (SMEs) to harness digital technologies and platforms, such as advanced freight forwarding systems. Regardless of size, companies can now seek out new businesses or customers globally, and transact with them through digital network and payment solutions anywhere, anytime.

Singapore has the best airport in the world according to Skytrax, a robust digital infrastructure and one of the fastest Internet speeds. We are also ideally placed – at the heart of a region that is significant to global economic growth. The opportunities to grow are abundant, and it is up to SMEs to seize these opportunities and be equipped for long-term growth.

The government is providing support through grants, as well as broad-based and targeted programmes to assist firms with transforming their businesses successfully and go digital. Some businesses are at different stages of maturity in terms of adoption of digital technologies. SMEs will receive help at identifying technology to aid in innovating and competing, while more digitally advanced companies will get advice from the proposed SME Technology Hub that is slated to be set up by the end of the third quarter of this year. Traditional ways of doing business could still remain for a while, but companies must be prepared and willing to transform.

Innovation and going digital does not necessarily mean an overhaul. Both, however, require a change in mindset. Some businesses may not be willing to upgrade and adopt technology, they feel that the implementation of digital technology is too complicated. Conversely, there are companies with innovative ideas that go beyond technological advancements. They assimilate technology into their business to ensure that they keep up with the pace of change, but crucially, these companies understand and anticipate market trends, and find solutions.

For example in retail, a firm is now building a strong e-commerce platform beyond its brick-and-mortar model. In addition, it is now using a digital accounting solution from its banking partner to synchronise transactions from different operating accounts. This solution provides the business with real-time information as well as an auto-reconciliation of transactions with the bank, such as purchase orders to suppliers and daily takings, thus improving productivity and freeing up important resources for other key business functions.

Another firm, an established local jewellery group, has adopted three-dimensional (3D) printing technology into the process of jewellery design. Developed with funding support, its research and development team adapted the technology to provide customers with a precision-printed



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DEVELOPING AN INNOVATION MINDSET

BY CATHERINE NG

One example of innovative use of space is how firms operate by adopting the concept of flexible workspace

3D model of their jewellery design. A process which used to take up to three weeks, this has been shortened to three days. In addition to increased productivity, the group has also seen an increase in conversion rate of sales by up to 10 per cent due to the increased likelihood of a purchase with a view of a 3D model.

One example of innovative use of space is how firms operate by adopting the concept of flexible workspace. Depending on their operational needs, companies are remodelling spaces – converging traditional serviced offices and coworking space – hence “flexible workspace”. Coworking within a flexible workspace set-up also helps to foster an interactive community where ideas are borne. By implementing a flexible workplace strategy, firms can make efficient use of space, expect a reduction in operating cost and increase productivity by making adjustments to the space ratio within their premise. It also offers businesses a good point of market entry with reduced capital expenditure, or capex, in comparison to conventional space.

Take a company whose business is data and cybersecurity for instance – both are important assets for firms as businesses adopt technology and go digital. It could be that part of a data and cybersecurity business offers computer and network security via Cloud computing, while another part offers client solutions through hardware and physical controls. This company could remodel its physical workspace to scale up or down relatively quickly according to its projects and operational needs, thus reshaping the way that the office looks and its staff interact.

The logistics industry is harnessing both existing and emerging technologies to tap into the growth of

e-commerce. For example, many warehouse, fulfilment and distribution centres are familiar with automated storage and retrieval systems (ASRS) which offers highly accurate, efficient and high throughput inventory management capabilities. Installed applications of ASRS is wide ranging, including retrieval of packages in warehouses, retrieval of books in libraries, retrieval of bicycles from a bicycle tree (bicycle carpark), and even retrieval of cars from a factory or carpark.

ASRS could be scaled to integrate with emerging technologies to provide an incremental system design. This would allow great flexibility in customisation and expansion to meet increasing productivity demands, as well as changing business and operational needs. In addition, when supported by advanced technologies, ASRS provides an integrated solution for logistics companies which include monitoring of warehouses, stock-keeping unit (SKU), and shipment globally. The growing e-commerce sector would also look to combine ASRS with emerging technologies such as data analytics to improve delivery and inventory management capabilities.

While technology has become more powerful and embedded into our daily life, some businesses are having a hard time playing catch-up. Companies must be willing to make the transition by scrutinising all aspects of their existing operations. To innovate requires continuous tweaking and not just for business but in every endeavour. The next big thing could well emerge from a thriving SME community. ■

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