

CHANGING TIMES

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As physical space keeps up with changing business needs, next-generation industrial facilities are being built and existing premises are being redeveloped to feature shared infrastructure and services

WELL-ESTABLISHED business models are changing – again. Coupled with digitalisation, evolving consumer preference and the current tentative economic outlook, many enterprises find themselves placed at the crossroads of their respective sectors. Thus, business owners have come up with some of the most creative ways to remain relevant, through the dynamic interaction of space with technology and consumer behaviour.

Singapore's economy has also been transforming, with a focus on small and medium-sized enterprises (SMEs) to provide local innovation. In order to maintain its competitive edge in the global market, the gradual shift of the country's industrial sector from manufacturing to high value-added, high technology and knowledge-based industries over the years has set Singapore and local SMEs up for longer-term growth.

In the course of transformation, no challenge is more significant than the embrace of digital technology. In a very real sense, business and information technology have become one – deeply interwoven with strategy, infrastructure, operations, products and services. With technology disrupting businesses and the way that information is handled, the range of vulnerabilities will widen and risks from cyberattacks become increasingly daunting.

The growing urgency for cybersecurity is undeniably real, and has reached a point where it is integral to most operations. The recent announcement of Singapore's Cybersecurity Strategy by the government underscores this concern. One of the pillars underpinning this strategy is the growth of the cybersecurity sector through the development of a vibrant cybersecurity field that comprises a skilled workforce, technologically-advanced companies and

strong research collaborations.

Technological leaps such as financial technology (fintech) are transforming financial services, and Singapore's ecosystem in this field has gained global attention. The country was recently named by Deloitte as the top global fintech hub alongside London, citing Singapore's business-friendly environment, strong government backing, regulation and access to expertise. In aid of SMEs in this sector – one in which the government is promoting strong growth – a range of tax incentives, grants and support schemes have been outlined for them.

The government has been investing in supporting infrastructure as well with a view of fostering the development of emerging technologies. Some of these spaces are located within business parks outside the central business district, where rents are lower. The aim of facilities such as innovation centres is to provide an environment for collaborative spaces where global companies can come together to partner SMEs and startups to inspire creativity, and create technological prototypes and solutions. Facilitating such collaborations should help strengthen local SMEs while anchoring global corporations in Singapore, and in the process transform the country into a leading startup capital.

Sectors such as 3D printing and robotics have also been earmarked by the government as the future of manufacturing. Given the country's infrastructure, Singapore is well-positioned to tap into such technologies in manufacturing. The adoption of 3D printing technology – when combined with advanced manufacturing techniques, robotics and the Internet of Things – has the potential to dramatically reshape industrial operations. Firms that have moved in on this front reap the benefits of being able to better monitor and control their manufacturing processes, thus distinguishing themselves in the market.

A manufacturer looking at 3D print manufacturing or to automate will need larger premises with high technical specifications that are designed to accommodate automation machinery and products. Planning authorities are paving the way by improving the industrial landscape to make it more attractive for businesses to operate in. In addition to building next-generation industrial facilities, existing premises are being redeveloped to feature a full suite of shared quality infrastructure and services.

For instance, Mapletree redeveloped Alexandra Distripark and The Comtech to Mapletree Business City I & II respectively; while Viva Industrial Trust converted the former Technopark@Chai Chee, a light industrial development, into a business park known as Viva Business Park. Meanwhile, Ascendas has undertaken a revitalisation process in phases for Singapore Science Park. The plan includes redevelopment to feature lifestyle elements and expanding business space.

Specialised spaces such as innovation centres and business parks support the growth and development of businesses that engage in the use of high technology, research and development – some of Singapore's key sectors of the economy. Companies located in these developments have the benefit of business clusters and potential synergies to collaborate on new solutions, and incubation of new technologies.

While the process of transformation will be bumpy, it is necessary to ensure future growth. No matter how one looks at it, technology has improved operations within companies, transformed the use of business space, and helped turn SMEs into global enterprises. ■

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