

**Keynote Address by Mr Tan Chuan-Jin,  
Acting Minister for Manpower & Senior Minister of State for National Development,  
at the official opening of OCBC Campus,  
Tuesday, 30 April 2013, 2.30pm**

Dr Cheong Choong Kong, Chairman of the OCBC Board of Directors,  
OCBC Board of Directors,

Mr Samuel Tsien, OCBC Group CEO

A very good afternoon to all and I am happy to join you today to celebrate the official opening of the OCBC Campus. This building not only serves as the bank's Regional Training Centre, it also exemplifies OCBC's commitment towards developing local talent for the financial industry.

2 Why is this important? This is important because our people are important. We often say that. Our people are central to all our organisations. Sensible and good employers will nurture, develop and grow their people because they value them. These efforts, in turn, will strengthen the Singapore workforce and our economy, thereby generating opportunities for our people. It is a virtuous cycle that will be increasingly important in our context as our economy goes through important structural changes, where we push towards an economy with

higher productivity and greater value-add. This is not just about machines, it is not just about technology, but different ways of doing things. People play a very important part in that restructuring process.

3 This morning, MOM's Manpower Research & Statistics Department released the preliminary estimates of how the labour market fared in the first quarter of this year.<sup>1</sup> The report showed that while the overall seasonally adjusted unemployment rate edged up 0.1 percentage point over the quarter to 1.9 per cent in March 2013, this is still very low compared to other developed economies. Furthermore, our citizen unemployment rate was unchanged at 2.9 per cent. The recent Economist article, "Generation Jobless" highlighted the dire situation facing many OECD countries, especially on youth unemployment. I am glad that we have been able to provide good employment opportunities for our people and we will continue to work on that front, to make sure that our labour market remains tight.

4 A key effort lies with continuing our foreign manpower tightening measures. Employment growth has slowed over the last quarter, but it is not enough. We are still generating more jobs than we should accommodate. Employment in March, for example, still grew by 3.8 per

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<sup>1</sup> The "Employment Situation, First Quarter 2013" report is available online on the Ministry of Manpower's website at <http://www.mom.gov.sg/mrsd/publication>.

cent from a year ago. We need to bring the average workforce growth rate for this decade down to 1 to 2 per cent per year, so we have got quite a lot of work to do. The current employment growth rate is not sustainable for the long term. In one sense, you could say it is a good problem. The economy, despite its softening, is still growing in some ways, in terms of opportunities, which is why the demand remains strong. But I repeat this again, I have said this many times. We must be more aggressive in our push towards a productivity-driven, rather than jobs-driven growth. Only this can make sense for a more sustainable long term growth strategy for our country.

5 This approach will clearly have an impact on our workforce. Firstly, our workers need to be equipped with the best skills to deal with the challenges ahead. They need to be nurtured to their full potential through ample training opportunities. This is important as part of the productivity effort. Structural unemployment will occur even as we keep the labour market tight. This training will be important as it helps our people switch sectors when required. Secondly, companies need to understand that for productivity to work, they need a motivated and engaged team. Companies will need to keep the morale of their workers high. This is where progressive practices, such as flexible work arrangements that allow workers to balance work and personal

commitments, come in. So on both counts, they play a very important part in ensuring that there is a productivity effort on that front itself. This is why I elaborated earlier that it is not just about the technology, it is not just about the way we change, the way we do things, but it is about the way we manage and nurture our people as well.

### **Developing the Singapore workforce through Continuing Education and Training (CET)**

6 In the Economist article I cited, they said, “What matters is not just the number of years of education people get, but its content. This means expanding the study of science and technology and closing the gap between the world of education and the world of work—for example by upgrading vocational and technical education and by forging closer relations between companies and schools,” which is what we are doing here.<sup>2</sup> They cited

Singapore as one example. Indeed, I believe that continuing education and training or CET, is one of our key competitive advantages in Singapore; hence the importance of initiatives such as that of the OCBC Campus.

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<sup>2</sup> “Generation jobless”, 27 April 2013, The Economist, <http://www.economist.com/news/leaders/21576663-number-young-people-out-work-globally-nearly-big-population-united>

7 I believe it is critical for individuals as well as for us as an economy. In light of Singaporeans working longer and with more rapid changes in the global economy, we will need our workers to stay ahead of the curve. As highlighted by Dr Cheong in his speech earlier, we have to provide our workforce with the right skills and knowledge to meet current and future needs. At the same time, for displaced workers, training also facilitates employment opportunities in growing industries.

8 OCBC is an excellent example of a company in the financial sector that has prepared itself to face the complexities of economic restructuring. Along with the opening of the OCBC Campus, it has also launched an enhanced learning curriculum that aims to develop employees' business-domain capabilities and soft skills. This complements the educational initiatives that OCBC already has in place, such as the OCBC-INSEAD Executive Development Programme, a two-week programme developed jointly with the prestigious INSEAD Business School.

9 Ms Chia Jiet Ling, an Assistant Vice President, is one of the many OCBC employees who has benefitted from this. Jiet Ling joined OCBC Bank as a fresh graduate six years ago, and has had the opportunity to undergo a myriad of courses, from compulsory system trainings to those

that helped develop her soft skills as a manager. As a result of her constant up-skilling and OCBC's training efforts, Jiet Ling has climbed up the ranks, and today, she earns much more than she did when she first started work, and also leads a team of five business development managers. I am sure she is not the only one in that category.

10 But making the provision of relevant high quality educational opportunities a top-most priority is only one part of the equation. Individuals must take greater personal responsibility in upgrading their skills. This will benefit the individual and help him better provide for his family and meet his own aspirations. It will also contribute to his organization and the economy as a whole.

11 Together with the Ministry of Manpower, the Singapore Workforce Development Agency (WDA) offers the Skills Training for Excellence Programme, or STEP for short. Over 65,000 PMEs of all job functions and levels of experience have benefitted from STEP, which offers more than 830 courses, from Digital Animation to Tourism. These courses help PMEs update their skills so that they can remain competitive and employable, regardless of the industry they are in.

## **Sustaining the Singapore workforce – Building Progressive Workplaces**

12 Apart from training, and the efforts towards establishing more productive approaches in the respective companies, what else should companies look at? In light of our tight labour market, how do you ensure that an employee whom you have spent so much time and money nurturing and training does not decide to jump ship? How do you retain the best talents once you have employed them? This is where a progressive corporate culture comes into play. Such a culture can take many forms, and I will touch on one area that has gained increasing prominence: Flexible working arrangements. Employees actually become more engaged, productive and willing to stay with an organisation where there are flexible work arrangements that enable them to better manage their career and personal aspirations. Now flexible work arrangements are not in themselves a magic tool. I think it is about what it represents, in terms of the management and leadership's perspectives in the way they regard the people within their company. Because you are prepared to cater to their different needs, you are prepared to make space for them to find their own balance in order to contribute to the company, and at the same time, their other priorities, which are important.

## **Progressive Workplaces - Work-life Harmony**

13 OCBC, where nearly 9 in 10 in the workforce are Singaporeans, introduced flexible work arrangements as far back as from 2004. You allow employees the option of working part-time or staggering their work hours to fit their personal schedules. In 2007, you were the first bank in Singapore to provide in-house childcare facilities, in collaboration with NTUC, and that is really important, for working mothers especially.

14 I hope more companies can jump on the flexi-work bandwagon, and create more progressive workplaces. To help jumpstart this, the government has implemented a new comprehensive scheme to subsidise the start up cost of offering more working arrangements to employees. The new WorkPro initiative jointly developed by MOM and the WDA aims to encourage the adoption of flexible work arrangements, job redesign and support the employment of mature workers and back-to-work locals.

15 There is a great deal of interest in WorkPro, and nearly 20 employers, such as Performance Motors and SP Consulting, have signed up for the programme since it took effect earlier this month. Feedback from companies and employers on the scheme has been



encouraging. We heard that employers welcome the Government's support in fostering progressive workplaces and in recruiting and retaining local workers. Companies in need of advice can turn to the Singapore National Employers' Federation (SNEF) and the NTUC, who have been appointed as programme partners to promote and manage WorkPro.

16 Let me share with you an exemplary OCBC employee who was able to stay on with the company with the availability of flexi work arrangements.

17 Ms Martina Ling is currently a Vice President in the Global Transaction Banking division, but two years ago, she almost quit her job when her then 20 year-old son, Joshua, was diagnosed with leukaemia.

Martina wanted to support her son through his treatment, but was worried that her work would be affected. Her manager and colleagues at

OCBC, however, proved to be an important pillar of support. Martina's manager arranged for her to work from the hospital while her son underwent treatment. Her colleagues stepped in, covering her at meetings or arranging for important documents to be sent to her home. Even after her son's eight month-long treatment, Martina continued to work on a part-time basis so she could be there for her son

during his recovery process. Today, I am happy to update that Joshua, has made a remarkable recovery and Martina is back to working full-time with the bank.

18 Martina also offered a piece of advice that I feel all workers in difficult situations should remember: The importance of talking to your employers. We should not just assume, but ask and speak to them. Martina shared that she was worried about balancing work and care for her son, but talking to her manager gave her employers a chance to help and work out a solution that benefits all parties. That should be the case for all workers no matter which industry you are in.

### **Progressive Corporate Culture - Corporate Social Responsibility**

19 Besides flexi-work arrangements, a strong culture of CSR is equally important. The emphasis now for Singapore is on quality growth; people and companies do not just need to have the drive to keep learning and growing, they must also possess a passion to give back to society so that economic growth benefits everyone.

20 I am heartened to hear that under OCBC's Volunteer Programme, employees who volunteer on a work day are given time off. As a result of

the expanded programme, not only did 600 more employees take part in community work, but the number of events organised increased three-fold, as compared to 2011. This is indeed a step in the right direction for voluntarism, and I think it is important for companies to take this on, because that is what we are doing in schools. Throughout, there was the CIP and now there is the VIA (Values in Action) programme, students are beginning to learn, to volunteer and to enjoy and find meaning. Can they continue that when they are at work? And that is something we hope that will happen. At the same time, can we continue that in the local community as well? Can we imagine an entire nation where people are giving back to society, giving of their time and money? I think that is when society begins to change.

## **Conclusion**

21 I have gone on at length about what OCBC has done on various fronts. I want to take this opportunity to commend them as an example for others. How do other banks measure up? How do other leading companies measure up? We talk about the importance of our people, of values that we seek to embrace, we talk about what society is like, how it should be. The truth is you can't legislate for these things. It comes with a mindset change, it comes with a cultural change, it comes with a

preparedness to walk the talk. But it only happens because the leadership believes in it. It happens because the leadership will then nurture and build a culture around it, and then put in place systems and processes that will facilitate that. I think OCBC has been doing that, and I urge you to continue to do so, on as many fronts as possible, looking out for, the lower income workers including your cleaners, security guards - groups of people that we, as the government, are also looking at trying to uplift.

22 I would also like to challenge other companies to commit to developing their workforce and build progressive workplaces – through CET and flexible work arrangements, as well as to be outstanding corporate social citizens and to give back to our community. As we begin our economic transformation for the next stage, we must also transform as a society and we must also transform as a nation. Just transforming the economy does not make sense if the rest of Singapore does not change. Companies do not just contribute to the economy. The way you operate and the way you treat your people will have an indelible mark on how our society evolves as well. With that, thank you very much.