

**SPEECH BY 2ND MINISTER FOR MANPOWER MRS JOSEPHINE TEO AT THE
3RD SNEF BEYOND SG50 CEO AND EMPLOYERS FORUM, 7 FEB 2018, 2.30PM
AT STAMFORD BALLROOM, RAFFLES CITY CONVENTION CENTRE**

Dr Robert Yap, President, SNEF,

Ms Mary Liew, President, NTUC,

Distinguished Speakers, Panel Members and Guests,

Ladies and Gentlemen

Good afternoon.

1. Thank you for inviting me to join you at this year's SNEF Beyond SG50 Forum.

2. All of us in the tripartite movement are keenly aware that Singapore is in the midst of a multi-year journey to transform our economy and to prepare our workforce for the opportunities of the future.

3. One important aim is for all our industries to become more productive, innovative and internationalised; the Industry Transformation Maps (ITMs) seek to do that. Another equally important goal is to support all Singaporeans in their efforts to adapt and to stay relevant, as well as to take ownership of their own learning; the Adapt and Grow initiative and SkillsFuture movement seek to do that.

4. This journey is a national effort that will require all stakeholders to play their part. But the call to action is not an unfamiliar one. Being in an open and dynamic

economy, it has always been necessary for our businesses and people to keep finding new and better ways to thrive.

5. In fact, this sense of never resting on our laurels and always striving to move forward, is a key reason our economy and society has continued to do well, even if there are occasional setbacks. This is true not just in the last 50-odd years since independence, but stretching much further back.

6. Earlier this year, PM Lee announced that we will be commemorating the bicentennial of the founding of modern Singapore next year. Apart from being a tipping point in our journey as a nation, it is also timely that we take advantage of the opportunity to reflect on how we got to where we are.

7. At different times, we have had to deal with all kinds of challenges. But a big part of the Singapore story has to do with the enduring spirit of enterprise and the resilience of our businesses and people. In particular, many businesses stood out for also having made broader contributions to society.

8. One of them is Wing Tai, a leading retail and property group in the region. It brings in brands such as Dorothy Perkins, Uniqlo and G2000, and employs more than 2,500 staff in Singapore. The company has had a long-standing presence here, having opened in Singapore a garment-manufacturing factory in 1963, before independence, and at the time it started with all of 200 workers.

9. Through many business cycles, the company has ensured that their employees are well-supported to stay relevant, productive and engaged.

- In the 1970s, long before the idea of childcare centres was popularised, the company set up a childcare centre within the factory to enable female employees to continue working after becoming mothers.
- In addition, the company provided free English and Math lessons for the staff to upgrade themselves.
- Employees who were musically-inclined could also enrol in free classes to learn how to form their own bands and perform at corporate functions.
- When they encountered slowing demand in the 1970s and 80s, and decided on a journey of business diversification, Wing Tai did not retrench its workers. Instead, it found ways to re-train and re-deploy them in new roles.

10. How about an older company, one that started in the 19th century. Raffles Hotel is one of Singapore's most famous landmarks that needs no introduction. The hotel's history dates back just over 130 years when it first opened its doors in 1887.

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11. This grand dame of hotels was among the establishments which took early steps to retain their workers. This was even before the retirement age was first set in 1993 and re-employment age was introduced in 2012. Raffles Hotel employees who have a clean bill of health and are eager to continue to work are placed in roles befitting of their skills and interests.

12. One of their current employees is seventy-nine year old Leslie Danker. He started out as a maintenance supervisor with the hotel in 1972. He later oversaw the F&B department, and was subsequently appointed as Guest Relations Manager.

13. Recognising his passion for sharing stories about Raffles Hotel and its very rich history with guests, the hotel appointed Leslie as its Resident Historian in 2010. With his wealth of experience, Leslie is looked up to as a mentor by many of the hotel's younger employees. Today, he is the hotel's longest-serving employee.

14. The terms may not have been coined then, but it is quite clear that from very early on, these companies valued their people, treating them not just as "human resources", but investing in them as "human capital".

15. With globalisation, automation and the rise of the digital workplace as well as mobile workforces, the way our businesses function and compete today has changed from 40, 50 years ago.

16. While business opportunities and challenges will continue to evolve, there are many lessons from Wing Tai and Raffles Hotel which remain relevant today. For one, the best of relationships between employers and employees is more than transactional; there is what the Chinese call "感情" (*gan qing*), and it works both ways - you care for me and I care for you.

17. It may seem touchy-feely but in fact, such mutual support is critical to help businesses weather the storms and for their people to be engaged to give their best.

Especially if you are seeking to transform your business, staff morale and support can be the decisive factor.

18. Today, there are companies here who remain committed to growing their business through progressive human capital development practices. A key group would be our 130 Human Capital Partners who collectively employ about 130,000 locals, about 5% of Singapore's total local workforce.

19. Since we launched the Human Capital Partnership Programme in November 2016, our HCPartners have continued to develop and nurture employees across all career stages, from fresh graduates to mid-career PMETs and mature workers.

20. Many support an inclusive workforce by reskilling and deploying at-risk workers into new growth areas, as well as hiring and re-employing mature workers. Others have built a pipeline of local talent with global exposure for senior leadership roles. They have also facilitated the transfer of new skills, capabilities and knowledge from foreign employees to their local colleagues.

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21. They demonstrate the essence of moving from a "HR" (human resources) to a "HC" (human capital) mindset, which is key for Singapore in our new phase of growth. The tripartite partners will continue to grow this community, and support our HCPartners to do more for their workforce.

22. For companies looking to kick-start their "HR to HC" transformation journey, the good news is that support is available. Let me outline just three areas.

23. First, we are stepping up the Adapt & Grow initiative administered by Workforce Singapore (WSG) and NTUC's e2i. Generous wage and training support are available for both employers and jobseekers. Employers can expand their available talent pool including to mid-career PMETs. Our people can re-skill to enter new job roles and growth areas.

24. Second, the tripartite partners have developed the HR Industry Manpower Plan and set up the Institute for Human Resource Professionals to build a stronger HR community that effectively partners business leaders to develop their workforce and transform their businesses.

25. Third, we have programmes such as the SNEF Agency for Productivity Practices, Human Resource and Industrial Relations (or SAPPHIRE) which was launched last year. Supported by WSG, SAPPHIRE has helped many companies to transform and enhance their competitiveness, underpinned by a strong human capital strategy.

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26. One company which has benefitted from SAPPHIRE is Shalom Relocations Pte Ltd. They tapped on SAPPHIRE to diagnose their HR challenges and to align their HR plans to their business strategy. With proper training needs analysis, their staff are now able to identify the right courses to attend, and to develop a culture of learning. As a result, staff productivity improved and the company is also better able to retain talent.

27. Beyond SAPPHIRE, I'm very glad that SNEF is continuing to find new ways to support employers to improve their organisational capabilities to better grow their business and employees in the digital age. I look forward to SNEF's launch of its latest SNEFDigital initiative, to help companies build digital workplaces, equip their workforce with digital skills and develop digital HR.

28. Friends, the digital age is upon us. The tripartite partners will take full advantage of our longstanding relationship to help businesses and workers embrace all the opportunities brought about by technological advances. The best of our pioneering companies took change and economic transitions in their stride and brought along their employees, earning their unwavering loyalty along the way.

29. The same spirit will serve us well today. By investing in business transformation and people at the same time, we will all be better positioned to navigate the digital age. And the journey will be so much more rewarding when we are able to succeed together!

30. On this note, let me wish all of you a fruitful forum ahead.

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