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Subject: (EMBARGOED) Speech by Mr Othman Haron Eusofe, 23 Sep 99, 9.30am

Singapore Government

PRESS RELEASE

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SPEECH BY MR OTHMAN HARON EUSOFE, MINISTER OF STATE FOR MANPOWER, AT THE PRODUCTIVITY AND STANDARDS BOARD (PSB) 1999 PEOPLE DEVELOPER PRESENTATION CEREMONY AT THE NANYANG POLYTECHNIC AUDITORIUM ON 23 SEP 99 AT 9.30 am
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Mr Renny Yeo, Chairman of the People Developer Council

Mr Lee Suan Hiang, Chief Executive of PSB

Distinguished Guests

Ladies and Gentlemen

1.   I am very happy to be here this morning for the People Developer Presentation Ceremony.

2.   I would like to congratulate the 61 organisations that have successfully achieved certification to the People Developer standard in the last 12 months. They are the second batch to attain certification since PSB launched this national standard for human resource development in December 1997. The number of People Developer organisations now totals 93. I am pleased to note that many more organisations are committed to attain the national quality standard for human resource development.

3.   The Singapore economy is on the road to recovery. However, many companies are expected to continue restructuring their operations as part of their global re-configuration of activities. The region as a whole is also slowly coming out of the crisis and is becoming more competitive. Several companies have restructured their operations and workers are retrenched as a result. Sectors such as disk drives and PC peripherals which face intense global competition are particularly vulnerable to these re-orientation.

4.   These drastic moves are initiated because workers' skills have become less relevant to the jobs they are required to do. To meet this challenge, workers must make training and learning as a top priority throughout their working lives. At the launch of Manpower 21 a month ago, which represents Singapore's national manpower blueprint for the knowledge based economy, DPM Lee Hsien Loong highlighted that this urgent need is not limited to the minority of the workforce who are retrenched but is the challenge for most workers in the imminent future. Workers must therefore be motivated to constantly train and retrain.

5.   Our businesses have to be more innovative and creative to enhance their competitiveness. Investment in their employees' education and training as well as creating an environment conducive for constant training and reskilling must be a key priority. In an era where knowledge is power, a highly skilled and motivated workforce will be the organisation's competitive advantage for new value creation.

Update on the Progress of The People Developer Standard

6.   Since the dawn of industrialisation, companies have always invested in areas that will enhance their ability to be successful. Over the last 50 years, these investments have largely been in the area of fixed assets — such as equipment, computers, production lines, and so on. While this remains important, it will not be sufficient for the future. Companies must invest in intellectual capital because with knowledge, new products and services will be created. Many companies have realised this, resulting in more investments being channelled into people development as an integral part of the organisation's total business strategy.

7.   The People Developer Standard offers organisations a systematic process to assess their human resource practices and develop the capabilities of their employees. Since its launch, over 1,300 organisations have participated in the People Developer programmes.   Among these, 600 have aimed to achieve the People Developer Standard within the next three years.

8.   The organisations that receive the People Developer Standard are being recognised for their commitment and investment in their employees.   They are dynamic and forward-looking organisations that are acutely aware of the importance of developing the potential and talent of their employees to meet changing business requirements and to sharpen their competitive edge.   I commend them for their efforts.

9.   Together, the 93 People Developer organisations employ some 120,000 employees. It is significant to note that employees in these organisations will have their career and training plans charted out. The plans are reviewed annually.   It provides employees with the requisite training to maintain the currency of their skills so as to remain relevant and also a vision of how they can progress within their organisations.   Implementing the People Developer Standard benefits the organisations concerned, as their employees will be geared towards meeting business objectives.   By the year 2002, the Productivity and Standards Board expects some 300,000 workers to be covered by training and career development plans through the People Developer initiative.

10.   The People Developer Standard has been adopted by many leading organisations like Shell, Glaxo Wellcome, IBM and Robinsons.   Corporations such as Singapore Airlines, Singapore Technologies and Keppel Corporation have also encouraged their subsidiaries to work towards achieving the Standard.   In the next few years, we will see more organisations in the public sector working towards achieving the Standard.   The Minister for Finance, Dr Richard Hu, announced recently that public sector organisations that attain benchmarks for excellence, such as the People Developer Standard, the ISO certification, the Singapore Quality Class and the Singapore Quality Award will be rewarded under the Managing for Excellence scheme.

Launch of the People Developer Benchmark Report

11.   To further help organisations implement enlightened people practices, the PSB is developing a series of benchmark reports on people development practices.   I am pleased to launch the inaugural report today.   The benchmark report documents the noteworthy practices of People Developer organisations.   The report also profiles outstanding features in these organisations also some potential areas for improvement and further development.   In this first report, eight outstanding practices, each from a leading People Developer, are highlighted.

12.   The series will not only help People Developers but all companies in Singapore to learn from the best and improve their "people development strategy" for better business performance.   To enhance learning the PSB will conduct industry seminars to share the best practices with the organisations in Singapore.   This will be a part of our lifelong learning framework that encourages inter-organisational knowledge sharing.

Conclusion

13.   With these efforts, we can look forward to elevating Singapore's human resource development to a higher plane.   Investing in people is a critical factor in our national effort to develop Singapore into a world class economy that is able to compete successfully in the knowledge era. Human Resource Development is a significant part of the Manpower 21 vision of Singapore as a Talent Capital and MOM will be working with PSB to introduce a series of people practice benchmarks.   I urge all organisations to continuously invest in the training of their workforce to meet the challenges of the knowledge-based economy. Let me reiterate that in a knowledge-based economy, innovation is the driving force and brainpower is the key competitive advantage.   Organisations that are able to come out with new ideas and implement them quickly will stay ahead of the competition.

14.   On this note, I would like to wish the 61 new People Developers every success in their endeavours to scale greater heights and achieve business excellence through their people.

Thank you.

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