

# *Singapore Government*

## ***MEDIA RELEASE***

Media Division, Ministry of Information and the Arts, 140 Hill Street #02-02 MITA Building  
Singapore 179369. Tel: 837 9666

---

---

### **EMBARGO INSTRUCTIONS**

The attached press release/speech is **EMBARGOED UNTIL AFTER DELIVERY**.  
Please check against delivery.  
For assistance call 837 9666

---

---

**SPRInter 4.0**, Singapore's Press Releases on the Internet, is located at:  
<http://www.gov.sg/sprinter/>

---

---

### **EMBARGOED UNTIL AFTER DELIVERY** **PLEASE CHECK AGAINST DELIVERY**

**SPEECH BY MR LIM BOON HENG MINISTER WITHOUT  
PORTFOLIO CHAIRMAN, SINGAPORE PRODUCTIVITY AND  
STANDARDS BOARD AT THE LAUNCH OF THE CALL CENTRE  
SKILLS STANDARDS AND OPENING OF THE SINGTEL  
CUSTOMER CONTACT CENTRE 10.30 AM, 1 DECEMBER 2000,  
SINGAPORE POST CENTRE, AUDITORIUM 5TH LEVEL, 10 EUNOS  
ROAD**

Mr Lee Hsien Yang, President and CEO, Singtel  
Distinguished Guests  
Ladies and Gentleman

### **NEW MARKETSPACE**

1 Businesses are turning to the new virtual marketplace to create value with information, offer customers greater choices and convenience, and expand their reach. They have no choice but to compete in two worlds - a physical marketplace that can be seen and touched, and a virtual marketplace that is essentially made of information.

2 Thus, banks provide services to customers at branch offices in the

marketplace as well as electronic online in a market space that allows them to go beyond their shores. Airlines sell passenger tickets in both the place and space. And fast-food outlets take orders over the counter at restaurants as well as through computer touch screens and telephones.

3 About half the pizzas sold by Pizza Hut in Singapore today are sold through the telephone and delivered to homes at the convenience of customers. The savings are substantial. Without this virtual facility, the company would have to double its outlets and staff to sell the same number of pizzas.

### **CALL CENTRE INDUSTRY**

4 Central to the success of companies in the new market space are call centres. Operating as nerve centres for processing orders and service recovery, call centres provide the human face that customers want in an increasingly wired world. They are a critical industry for helping Singapore achieve its vision of becoming a knowledge-based economy.

5 The growth of the call centres has been phenomenal in the last few years. In Australia, the number of call centres has exploded from about 800 to 6,000 in the last four years. Employment in these centres grew from 10,000 to over 100,000 during the same period.

6 Europe is experiencing a similar boom. The number of call centres in Europe is growing rapidly. It is expected to double to about 20,000 in the next two years and employ over 5 million. Globally, call centre revenue is expected to grow by over two and a half times, and exceed US\$58 billion in the next three years

7 The growth in Singapore has been rapid, too. Revenue from the call centre industry has been growing at about 20% per annum. The number of call centres is expected to increase by some 25% over the next five years.

8 Competition is intensifying and is global. Modern technology allows companies to service customers anywhere in the world. More and more companies are making a foray. There is intense competition from companies in Australia, India, Philippines and New Zealand. And the stakes are high. The setting up of the American Airlines call centre in Ireland in 1996, for instance, led to the closure of five others in Europe and savings of about US\$20 million for the airline company.

## **PEOPLE DEVELOPMENT**

9 Today, capital and technology flow freely worldwide. Companies all over the globe are vying for the same investment, production and customers. Our competitive advantage can come only from the difference that our people make. This depends on the level of skills.

10 To meet customer requirements today, call centre staff need a higher level of skills. They now have to handle information, build up databases and develop customer relationship for different clients. Versatility is key. Customers are demanding convenient one-stop service. The last thing they want is to be sent from one person to another. Providing helpdesk advice, taking product orders, handling complaints and collecting faulty products have all become part and parcel of the duties of call centre staff.

11 For staff to excel, they need to know what is expected of them. They need to have a clear idea of the delivery standards for their services, and the competencies for achieving them. PSB's work with industry shows that many companies do not have work performance standards and organisational procedures. The result - high wastage, poor quality service and low productivity.

12 To help these organisations and make our industries more competitive, the PSB is working with industry associations, lead companies and economic agencies to establish skills standards through the National Skills Recognition System or NSRS. The target is to establish at least 1,000 skills standards in 100 key industries by 2005.

13 Today, I am glad to launch the skill standards for the call centre industry. Developed in collaboration with Singtel, a market leader, the standards stipulate performance criteria, identify job competencies and certify skills for call centre staff. Based on the best standards worldwide, it will help transform the workforce in the call centre industry so that they can respond effectively to the challenges of change.

## **NATIONAL SKILLS RECOGNITION SYSTEM**

14 The NSRS is not just about establishing performance standards and qualifications. It is also about enhancing self-worth and professionalising work. The overall objective is to enhance the competitiveness of companies

and the employability of people. Some \$200 million has been budgeted to implement it in the first five years.

15 The current system and infrastructure for developing our people have served us well. But the world is changing. What we have done successfully in the past will not guarantee us success in the future. The knowledge economy requires a different type of workforce - one that is able to acquire, apply and create knowledge in flexible and innovative ways to generate greater value.

16 With the accelerating pace of change, our excellent formal education system can at best only provide the broad-based education for continuously learning the new skills needed by the market. It cannot be expected to provide the constantly changing job skills required at the workplace. A complementary system is required to enable those in the workforce to pick up new skills in a much shorter time and motivate continuous learning. The NSRS will meet this need.

17 Response to the NSRS has been very encouraging. Since its launch about three months ago, 33 industries have begun implementing the system. These include industries as varied as electronics, food, mechatronics, retail, and jewelry.

## **CONCLUSION**

18 To conclude, let me reiterate that the government will continue to provide the infrastructure and encouragement for companies to develop their people. However, companies must play their part. I urge all organisations that have not already done so to implement the NSRS for their people. It is our workforce's passport to competitiveness and employability.

19 On that note, let me thank Singtel for its contribution to the NSRS and declare the Singtel Customer Contact Centre open.

.....