

## THIS WEEK'S TOPIC

Should we be concerned about how global trends are affecting Singapore's electronics production? More generally, are there other areas of local manufacturing and services affected by changing global consumer and business preferences? In either or both cases, what should be done?

# Adapt to advance

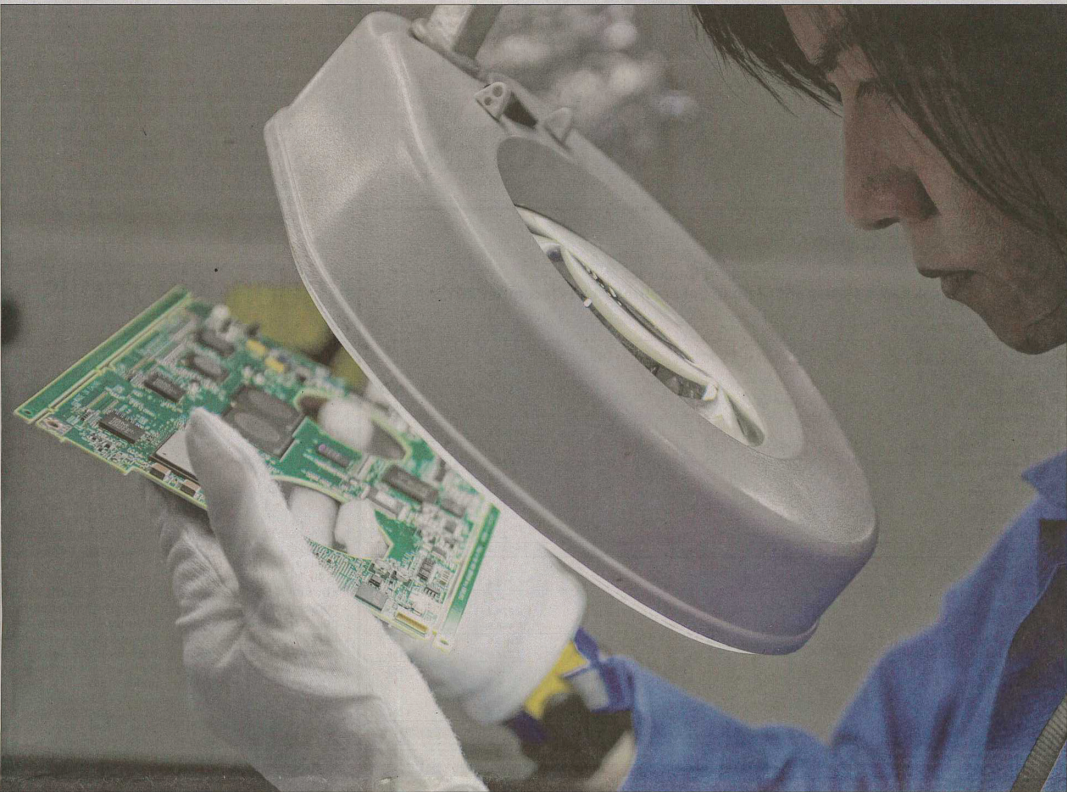


PHOTO: BLOOMBERG

## Chong Weng Hoe Chief Executive Officer TÜV SÜD PSB

GLOBAL trends set the stage for electronics production and should be observed carefully for strategic planning in the long term. Electronics production span diverse sectors, and not all sectors react in the same manner – some, such as mobile phone batteries are easily influenced by global trends, while others such as machinery/computer components see shifts only in years. As long as there are new product models and designs, the electronics sector will continue to thrive.

Although we see some business sectors slowing in tandem with the decline in Singapore's electronic exports, we still see an increasingly strong performance in the semiconductor sector.

Thus, we foresee semiconductor export lifting the electronic cluster in the next few quarters.

**David Leong**  
Managing Director  
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appears to be in the midst of a substantial, and in some ways challenging, change. The explosion in the number of mobile devices and the consumerisation of information technology (IT) are shifting technology spending power away from corporations to the individual users, and consequently we see the PC market being put under pressure.

electronic output has affected the island's economy, this is more a litmus test of the electronic companies' tenacity in surviving this challenge.

Merely cutting costs and relocating will not be sufficient; companies have to transform and adapt to the trends. Instead of allocating resources to help the existing factories survive, they may have to review their operations and find their niches, which are in line with the changing times.

## Jim Li Hui Hong CEO/Founder JSB Tech Pte Ltd

THE foresight to identify early and engage in a leading-edge technology life cycle of an industry cluster is a critical capability and competency of a tech-based firm. Costly rapid realignment with current markets, involving reconfiguration of manufacturing resources for "playing catch-up", or a risky business transformation targeting at new growth segments, are essential reactive strategies for those companies trapped in a misaligned-market position.

For example, in response to the huge migration of manufacturing to China over a decade ago, JSB Tech chose to transform itself from a manufacturing service provider to an innovative product-brand owner with strong R&D capability specialising in globally-niche market segments of precision engineering instrumentation. In retrospect, we did not fret over the massive environment change that we could not control; instead, we manoeuvred through and managed our company transformation process with vigilance.