

Singapore's Professional Services Industry to lead globally in high-value, specialist services

Singapore introduces transformation roadmap for firms and individuals in Professional Services to capture opportunities in high-growth areas

1. Ms Indranee Rajah, Senior Minister of State, Ministry of Law & Ministry of Finance and Co-Chair for the Future Economy Council (FEC) Modern Services Sub-Committee, launched the Professional Services Industry Transformation Map (ITM) today at the opening of Dentsu Aegis Network's Asia Pacific Headquarters in Singapore.
2. The ITM charts a roadmap to develop the industry to become a global market leader in high-value, specialist services, driven by innovation and partnerships, over a five- to ten-year horizon. Key initiatives featured in the ITM aim to drive innovation in the industry and to equip our workforce with specialised skillsets in high-growth areas such as data science, analytics and artificial intelligence.
3. The Professional Services sector includes firms in Architecture and Engineering Services, Consulting, Accounting, Legal and Advertising. Through the ITM, the sector is projected to post an average growth rate of 4.6% from 2015 to reach a value-add of S\$31 billion by 2020 and generate 5,500 new Professional, Managers, Executives and Technicians (PMET) jobs every year in the same period.

A nation-wide effort to take Professional Services to the next level

4. Ms Indranee Rajah said, "The Professional Services sector is a growing industry with tremendous potential for job creation. Singapore has the right conditions for companies to innovate world-class business solutions and forge cross-disciplinary partnerships. The ITM is an integrated plan that will enable our firms to scale, innovate and increase their productivity, while preparing Singaporeans to take on exciting new jobs such as digital product developers, data modellers and risk advisory professionals."
5. Partnerships are critical to the growth and transformation of the industry. In this respect, the Government will work closely with key partners such as industry associations and professional bodies, as well as the unions, so that they can be the multipliers in driving the transformation of their respective subsectors and equipping our workforce to be future-ready.

6. Mr Patrick Tay, Assistant Secretary-General of NTUC said, “The job landscape is evolving rapidly with technology and new business models, and it is critical that our workforce remains agile and able to adapt to these changes. We will work with employers to identify emerging industry trends and prepare our working people to access these new opportunities.”

Global Trends and Growth Opportunities

7. The ITM has identified specific high-growth areas for key sectors within Professional Services such as data science, analytics and artificial intelligence. These are key digital capabilities that companies in advertising, consulting and engineering services are looking to build. There are also significant opportunities for strategy and operations consulting as clients embark on digital transformation projects. In addition, the steady growth of engineering and infrastructure projects, and financial services will increase demand for specialised services such as project management, risk management, business valuation and dispute resolution.
8. Ms Teo Lay Lim, Co-Chair for the Modern Services Sub-Committee and ASEAN Managing Director of Accenture, said, “With the world of business rapidly transforming and digitalising, the consequent demand for new services and solutions presents both opportunities and challenges for Professional Services. The good news is we are in a position of strength to capture these opportunities – Singapore is already a reference market for complex, crossborder projects, and our Singapore-based professionals are also trusted for their deep understanding of the industries and markets across the region.”

Growing innovation capabilities for high-growth areas

9. A key pillar for the Professional Services industry in Singapore is the continuous building of innovation capabilities by firms and individuals to harness opportunities in high-growth areas.
10. Innovation in Professional Services involves delivering services and solutions through different business models to be more effective and cost-efficient, and continual investment into technology. This is accelerating in Singapore. For example, home-grown accounting firm Precursor Group has diversified from traditional audit services to also offering HR and analytics services, through its proprietary cloud-based services delivery platform. This has allowed them to scale their offerings to over 500 local and multinational clients with just 60 staff.
11. Innovation is also about continuously building differentiated competencies. In this regard, global firms have been establishing leading Centres of Excellence (COEs) in Singapore, to serve global and regional markets. Recent examples include Dentsu Aegis Network’s Global Data Innovation Centre, McKinsey’s

Digital Capability Centre, Deloitte's Future of Work COE, Booz Allen Hamilton's Singapore Cyber Security Solutions Center and Mott MacDonald's Advanced Building Information Modelling Technologies COE. (Refer to [Annex C](#) for examples of firms innovating to deliver high-value, specialist services from Singapore.)

12. Collaborations will drive and amplify innovation. The Government will play an active role in facilitating collaborations through convening innovation platforms, bringing together companies, start-ups and research institutes to work on common challenges and co-create solutions.
13. Such innovation platforms include setting up living labs where companies can collaborate to test-bed and commercialise solutions in a live environment. An example is the HDB's Smart Urban Habitat Masterplan (SUHMP) which focuses on the usage of digital technologies to improve liveability in public housing. The implementation of SUHMP has created opportunities for NCS, Arup, AECOM and other engineering consultants to identify and recommend smart initiatives for deployment.
14. Another innovation platform that will be created is a data-sharing consortium. This will see leading firms such as Google, Grab and Adobe collaborating to help businesses with smarter data use to drive marketing innovation. More details will be made available in the coming weeks.

Talent upskilling and reskilling for deep, specialised skillsets

15. The high-growth areas in Professional Services have spawned many new jobs which did not exist until the last few years. Existing professionals and new entrants can expect comprehensive support from the ITM. The Government will work with firms and industry players to re-design jobs, and actively upskill and reskill their workforce for high-growth areas.
16. Under the Adapt and Grow initiative, Workforce Singapore (WSG) has launched more than 10 Professional Conversion Programmes (PCPs) relevant to Professional Services. PMETs are trained to take on roles ranging from global infrastructure projects, digital advertising to HR management. Four new PCPs for Programmatic Advertising, Internal Audit, User Experience (UX) and User Interface (UI) and Building Information Modelling are under development.
17. Skills Frameworks and related accreditations will be developed for relevant sub-sectors to support professionals in better understanding the range of career pathways, skills requirements and available training programmes. This follows the Skills Framework for Accountancy launched in October 2017, which identified emerging skillsets such as data analytics, valuation research and analysis. The skillsets were mapped to 6 career tracks and 25 job roles.

18. In addition, Institutes of Higher Learning are strengthening work-learn collaborations with firms in Professional Services to ensure greater industry relevance of training programmes. SkillsFuture Earn and Learn Programmes (ELPs) have been launched for Accountancy, Visual Communications, UX Design and Management, and Branding and Digital Marketing. To-date, SSG has enrolled over 130 ELP participants into companies such as PwC, Deloitte and BBDO. Future ELPs under development include more specialisations such as UX and Accountancy.
19. Beyond the ELPs, advertising agencies such as DDB are also working with Institutes of Higher Learning to groom next-generation talent. DDB's COE in Temasek Polytechnic, "Equator", trains 20 students per semester across faculties through academic programmes and hands-on experience with client projects, working together with DDB's senior leadership team.

More support for internationalisation and productivity, especially for homegrown firms

20. Initiatives will be put in place to enhance Singapore's global market position and grow our exports of services to regional and global markets. An example is the Tech Start for Law programme to help Singapore law firms adopt productivity tools.
21. SPRING Singapore (SPRING) and IE Singapore¹, together with the rest of the Government, will strengthen efforts to work with businesses with the ambition and ability to scale. This aims to grow more firms such as Allen & Gledhill, Rajah & Tann, TSLA, Surbana Jurong and Meinhardt, which have set up business operations covering ASEAN, China, the Middle East and Africa. Firms are also encouraged to grow access to international markets, by forging strategic partnerships and networks with other Professional Services firms overseas. Law firm RHT Law and accounting firm RT LLP, for example, gained access to a larger client base by building a network of regional partners.
22. In addition, more market- and sector-specific lead generation and profiling platforms will be developed, such as the annual Asia-Singapore Infrastructure Roundtable to bring together infrastructure players in the region to discuss project opportunities. SPRING and IE Singapore will continue to work with industry players to promote overseas business opportunities for home-grown firms via overseas business missions and events.

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¹ SPRING Singapore and IE Singapore will be merged to form Enterprise Singapore from second quarter of 2018.

ANNEX A Background of Professional Services industry in Singapore

Since the Singapore economy began its diversification into services in the 1990s, it has grown into a major hub comprising head offices of home-grown enterprises and global companies. Correspondingly, this has driven demand for a diverse portfolio of services providers.

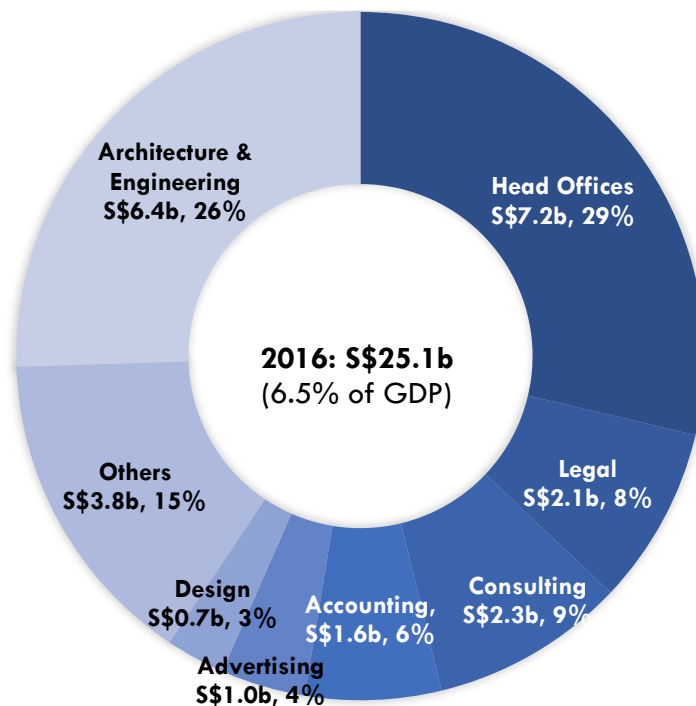
Today, Singapore serves as the regional hub for leading Professional Services firms in sectors such as Architecture and Engineering Services, Consulting, Accounting, Legal and Advertising. Professional Services, which employed more than 230,000 people, made up 6.5% of Singapore's GDP and contributed around \$25 billion in value-add in 2016.

The Professional Services ITM is an inter-agency effort led by EDB, alongside agencies including Building Construction Authority (BCA), IE Singapore, Infocomm Media Development Authority (IMDA), Ministry of Law, Singapore Accountancy Association (SAC), SPRING Singapore, SkillsFuture Singapore (SSG) and WSG, as well as industry partners, trade associations and professional bodies.

With the launch of the Professional Services ITM, all ITMs under the Future Economy Council (FEC)'s Modern Services cluster have been launched. The other ITMs launched under the Modern Services cluster are Financial Services and Infocomm Media.

Composition of Professional Services industry in Singapore

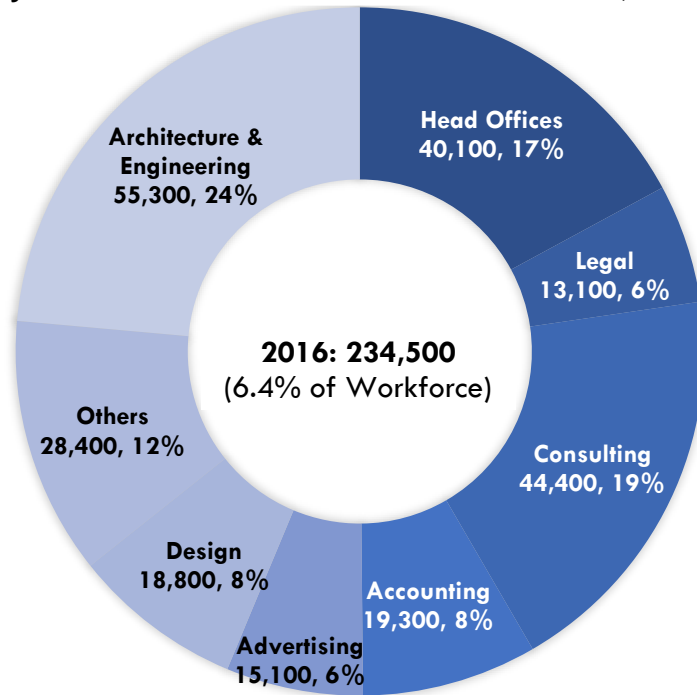
Chart A1: Nominal VA of Professional Services sub-sectors, December 2016



Source: Department of Statistics (DOS)

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² Other Professional Services comprise technical testing & analysis, research & development, photographic activities, veterinary activities and other professional, scientific & technical activities.

Chart A2: Employment of Professional Services sub-sectors, December 2016



Source: Ministry of Manpower (MOM)

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² Other Professional Services comprise technical testing & analysis, research & development, photographic activities, veterinary activities and other professional, scientific & technical activities.

ANNEX B High-Growth Areas identified for Professional Services

	Architecture & Engineering Services	Consulting	Legal	Accounting	Advertising
Highgrowth Areas	<ul style="list-style-type: none"> • Infrastructure Project Development & Financing • Project Management • Integrated Digital Delivery • Predictive Analytics & Artificial Intelligence • Sustainable Development 	<ul style="list-style-type: none"> • Financial Services Consulting • Digital Strategy & Operations Consulting • Manufacturing Operations Consulting • Big Data / Advanced Analytics Consulting • Cybersecurity Consulting 	<ul style="list-style-type: none"> • Dispute Resolution • Projects & Infrastructure • Banking & Finance • Restructuring • Intellectual Property 	<ul style="list-style-type: none"> • Banking & finance • Risk Management & Corporate Governance • Business Valuation • Restructuring • Internal Audit 	<ul style="list-style-type: none"> • Data Science & Analytics • Marketing Technology & Artificial Intelligence • Creative Technologies • User Experience & Design • Innovation Consulting

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Innovation - Examples of Professional Services firms innovating to deliver high-value, specialist services from Singapore

Precursor Group's Technology Solutions & Advisory team

Previously known as K.G. TAN & Co, local accounting firm Precursor Group has diversified from audit-focused services to a technology-driven model. It set up a technology team and developed Precursor SmartCursors, an integrated cloudbased platform with applications for CRM, Practice Management, Document Management, Knowledge Space, HR, Audit, Tax, Corporate Secretarial, Accounting and Analytics in 2018. This will enable them to deliver a range of automation and analytics driven solutions to 500 local and multinational clients with a team of 60 staff. Their anticipated business growth is at 15% year-on-year.

WongPartnership's use of Artificial Intelligence (AI) to deliver legal services

WongPartnership is one of the leading full service Singapore law practices. In September 2017, it became the first Singapore law practice to adopt AI tool, Luminance, to enhance its due diligence processes for Merger & Acquisition transactions. WongPartnership is using Luminance to harness the predictive power of AI to discern patterns and detect anomalies across large volumes of contracts and unstructured data. The AI platform provides a more efficient way for lawyers to manage due diligence transactions on behalf of clients.

VANILLALAW LLC's use of legal tech for smart automation

Previously known as MG CHAMBERS LLC, this boutique law firm specialises in dispute resolution, corporate matters, and white collar crimes. With an acute focus on SMEs as their primary clientele, VANILLALAW LLC aims to provide SMEs with solutions tailored to their long-term business growth. The firm itself has already gone digital, and in 2016, it launched VANILLALAW Docs, an online document assembly software that allows clients to easily generate the first draft of legal documents (e.g. employment and shareholder agreements) which are then reviewed by their lawyers. The software is a key component of the firm's Unbundled Service Model, which does away with traditional time-based pricing models, and instead reduces cost by re-distributing and optimising the legal process.

Dentsu Aegis Network's Global Data Innovation Centre

The Global Data Innovation Centre is Dentsu Aegis Network's first-ever R&D centre. This Singapore-based centre will develop and produce innovative applications and serve as a hub for data scientists and technology talent for the entire network globally. It also drives Dentsu Aegis Network's leadership in data excellence and power the exponential growth in digital media expenditure driven by mobile, video and programmatic advertising. The centre will grow to more than 25 high calibre data talent based in Singapore, working closely with Dentsu Aegis agency brands from the network's top 20 markets including the US, the UK, China and Australia. Solutions developed from the centre will be deployed to its worldwide operations and adapted to solve clients' marketing data challenges.

McKinsey's Digital Capability Centre

McKinsey, a leading global management consulting firm, established its Digital Campus in Singapore to help companies on their digital transformation journeys, by bringing together the firm's digital capabilities such as advanced analytics, data engineering, experience design, agile transformation, and digital marketing. The centre provides a start-up like environment for executives to imagine, incubate, and build their digital businesses and taps onto the knowledge of more than 850 digital experts with skills in advanced analytics, UX/UI, software engineering from 30 countries.

Booz Allen Hamilton's Singapore Cyber Security Solutions Center

With rising demand for cybersecurity services, Booz Allen Hamilton, one of the world's leading Professional Services firms providing management consulting, technology consulting, and engineering services decided to house and set up a cybersecurity solutions centre in Singapore. This is the company's first centralised capability and competency hub in the world, outside of the US, for advanced cyber security capabilities in areas such as information security analytics, cyber operations, SCADA systems, research and strategy. The centre enables BAH to support clients on cyber threat intelligence, vulnerability assessment, and security research from Singapore. The Singapore Cyber Security Solutions Center helps strengthen Singapore's position as a global cybersecurity hub with leading service providers who can support companies building cybersecurity capabilities.

D1 Talent Upskilling & Reskilling – Examples of programmes launched to-date

Adapt and Grow Professional Conversion Programmes (PCPs)

All PCPs come under the Adapt and Grow (www.adaptandgrow.sg) initiative run by Workforce Singapore (WSG), which aim to help Singaporeans embark on more fulfilling careers by adapting to changing job demands and growing their skills.

To-date, more than 10 PCPs relevant to Professional Services have been launched. Some of the PCPs include PCP for Global Ready Infrastructure Talent, Professional Executives, Digital Advertising, Graphic Designers, as well as Utilities Engineer and Utilities Assistant Engineer.

Information on selected PCPs are as follows:

PCP for Global Ready Infrastructure Talent (GRIT)

The PCP for GRIT seeks to reskill local mid-career switchers and displaced professionals to enable them to embark on a new career in job functions required in Infrastructure projects at a Global Level. Successfully placed professionals can look forward to career opportunities in job functions (but not limited to) such as Transaction Advisory, Project Financing, Legal Advisory, or Infrastructure Engineering, as long as it is part of a Global Infrastructure Project.

PCP for Professional Executives

The PCP for Professional Executives aims to equip mid-career PMETs with the necessary competencies to take up roles in areas such as HR Management, leadership and management, sales and marketing, project management, consultancy, business development and operations across various sectors. Professional conversion to HR-related roles in areas such as recruitment, learning and development; and compensation and benefits are also available through a dedicated PCP for Professional Executives (Human Resource) track.

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D2 Talent Upskilling & Reskilling – Skills Framework for Accountancy

Skills Framework for Accountancy

The Skills Framework for Accountancy was launched on 3 October 2017. It aims to enable skills mastery in the Accountancy sector, where accountancy firms are expected to employ about 21,000 accounting professionals by 2020. The Skills Framework therefore creates a common skills language for individuals, employers, and education and training providers for Accountancy.

Key skills and competencies identified for the sector through the Skills Framework include emerging areas such as Data Analytics, Infocomm Technology Adoption and Innovation, and Valuation Research and Analysis.

Jointly developed by SkillsFuture Singapore (SSG), Workforce Singapore (WSG) and the Singapore Accountancy Commission, the development process for the Skills Framework involved conducting a total of 14 validation sessions, which engaged more than 100 accounting and finance leaders from accounting entities, corporates, institutes of higher learning and government agencies.

Key components of the Skills Framework

The Skills Framework for Accountancy covers employment, career pathways, occupations/job roles, skills and competencies and training programmes. The key components include:

- Sector information – provides information on key statistics, trends and workforce profiles in the Accountancy sector;
- Career pathways – depicts the pathways for vertical and lateral progression for advancement and growth. Six pathways have been identified which include Assurance, Financial Accounting, Management Accounting, Internal Audit, Business Valuation and Tax, covering 25 key job roles;
- Occupations and job roles – covers a total of 84 existing and emerging technical skills and competencies and 18 generic skills and competencies, and their respective descriptions. Some of the emerging skills identified include Data Analytics, Infocomm Technology Adoption and Innovation, and Valuation Research and Analysis; and

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- Training programmes for skills upgrading and mastery – provides information on training programmes which will help aspiring individuals and in-service employees acquire skills required for various jobs.

D3 Talent Upskilling & Reskilling – SkillsFuture Earn and Learn Programme (ELP) for Professional Services

The SkillsFuture ELP is a work-learn programme that gives fresh graduates from Polytechnic and the Institute of technical Education (ITE) a head-start in careers related to their discipline of study. It provides them with more opportunities, after graduation, to build on the skills and knowledge they acquired in school, and better supports their transition into the workforce.

Participating employers can recruit local fresh talent and prepare them to take up suitable job roles. Participants in the programme can look forward to a structured career progression pathway within the organisation. The ELP is designed in collaboration with industry to ensure relevance to employers and the growth of the sector.

The list of ELP programmes for the Professional Services industry is outlined below in **Table 1**.

Table 1: List of ELP Programmes

Areas	Institution	Name of Programme
Accountancy	Ngee Ann Polytechnic	Advanced Diploma in Accountancy
	Nanyang Polytechnic	ELP Leading to Diploma in Business Practice (Accounting)
Branding, Digital Media and Marketing	Nanyang Polytechnic	Specialist Diploma in Digital Media Production
	Nanyang Polytechnic	Specialist Diploma in User Experience Design & Management
	Ngee Ann Polytechnic	Specialist Diploma in Digital Branding & Social Media Strategies
	Temasek Polytechnic	Specialist Diploma in Branding Design

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	Temasek Polytechnic	Specialist Diploma in Integrated Digital Communication
Visual Communications	Nanyang Polytechnic	Specialist Diploma in Visual Communications

E1 Productivity & Internationalisation – Examples of programmes to help boost productivity for Professional Services firms

Tech Start for Law by The Law Society of Singapore and SPRING

Launched in March 2017, the S\$2.8 million Tech Start for Law seeks to help Singapore law practices adopt productive technologies and deliver better legal services. Under the programme, Singapore law practices can get funding support of up to 70% of the first-year cost for adopting technology products for practice management, online research and online marketing. The one-year application period closes on 28 February 2018.

To complement this programme, Law Society launched SmartLaw Assist. This scheme provided SLPs with up to 70% subsidy on the first-year subscription cost for an online knowledge database. These legal research platforms help reduce the time that lawyers spend on research by up to 20%.

Covenant Chambers LLC, a dispute resolution and corporate and commercial law firm, increased its productivity and exposure to potential clients since tapping into the Tech Start for Law Programme. It has implemented a cloud-based practice management system to improve its operations, as well as adopted online research and marketing tools under the programme. In particular, its cloud-based data management system has enabled lawyers to access documents on the go, and update expenses in real time to enhance accuracy in billing matters.

Interested applicants can contact the Law Society at lpi@lawsoc.org.sg.

Adoption of audit software by ISCA supported by SPRING

Based on a survey by the Institute of Singapore Chartered Accountants (ISCA), while 67% of Small and Medium-sized Accounting Practices (SMPs) have adopted technology, these are mainly practice management systems and basic accounting tools. To address the need for specialised software, ISCA, with SPRING's support, launched a programme to drive adoption of audit software for the accountancy sector.

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The initiative will address key market gaps, by standardizing audit methodology across SMPs and removing the need for each SMP to customize its own software. The funding will also defray the cost of adoption for SMPs.

Adoption of software is estimated to drive productivity gains of up to 30% for SMPs. This frees up capacity for SMPs to focus on higher value-added services, such as business advisory, driving growth for the company.

ANNEX E2 Productivity & Internationalisation – Examples of facilitation help for homegrown firms to grow business overseas

Business Development Trips for the Accountancy Sector

To develop regional partnerships for SMPs within ASEAN, ISCA has been actively organising business missions. Through targeted business matching sessions with overseas SMPs, local SMPs have identified and successfully forged partnerships with overseas SMPs.

For example, OA International Holdings formed a MOU with Anh Consulting and Auditing Company in Vietnam, to found an ASEAN network to serve regional clients and exchange knowledge and experience. This will help OA International clinch new regional clients and better serve its local clients which are expanding overseas.