

**SPEECH BY MS INDRANEE RAJAH,
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AT LAUNCH OF THE PROFESSIONAL SERVICES INDUSTRY
TRANSFORMATION MAP AND OPENING OF DENTSU AEGIS
NETWORK'S ASIA PACIFIC HEADQUARTERS AND
ON 24 JANUARY 2018, 3:00PM,
AT GUOCO TOWER, 1 WALLICH STREET, #22-01**

Distinguished Guests,

Ladies and Gentlemen.

Introduction

1. It is a great pleasure to be here with you today at the opening for Dentsu Aegis Network's Asia-Pacific Headquarters. Dentsu Aegis is not only a digital leader in their field, but is a data-led business. I understand that their new office is purpose-fitted with the latest technologies and has some of the best talent. I am looking forward to having the opportunity to visit and meet with the team this afternoon. Dentsu Aegis represents the transformation that the marketing industry is undergoing, and is therefore an ideal setting for the launch of the Professional Services Industry Transformation Map (ITM).

Professional Services – A Key Growth Sector for Singapore

2. Professional Services is a key growth sector for Singapore.

3. In 2016, Professional Services made up 6.5% of Singapore's GDP, accounting for around \$25 billion in value-add and employing more than 230,000 people.

4. Looking to the future, we can only expect this to grow. This will in turn create jobs for professionals and generate high value work.

5. Singapore is well-positioned to be a market leader in high-value, specialist services and to capture the demand for such services. However, this will not happen without change on the part of the professional services.

6. The world of business is rapidly transforming and digitalizing, driven by technology. This will create demand for new services and solutions. However it will also sweep away old ways of doing things. In short, businesses change presents huge opportunities but our

professional services will only be able to access these opportunities if they themselves transform to meet the needs of the rapidly changing business environment.

Professional Services ITM to Drive Long-Term Growth

7. It is for this reason that we have developed the Professional Services Industry Transformation Map (ITM). The ITM is essentially a roadmap on how to transform the professional services sector so that we can make the most of the opportunities ahead.

8. The ITM identifies a number of high-growth areas for key sub-sectors. It also sets out the strategies through which we are going to transform:-
 - first, by building innovation capabilities for high-growth areas; and
 - second, by equipping our workforce with the specialised skillsets to take on the new jobs.

9. Through the ITM, we project the sector to grow at an average rate of 4.6% from 2015 to reach a value-add of S\$31 billion by 2020 and generate 5,500 new PMET jobs every year in the same period.

10. The growth will be driven by digitalization and specialized solutions.

- Analytics and artificial intelligence are examples of digital capabilities that feature strongly in advertising, consulting and engineering services.
- There are also opportunities for strategy and operations consulting as clients embark on digital transformation with urgency.

11. Dentsu Aegis is a leading example of a firm that is constantly transforming to be at the cutting edge. In setting up their Global Data Innovation Centre (GDIC) here in partnership with the EDB, they have brought together technical professionals from diverse

backgrounds such as startups, academia and research organisations.

12. Dentsu Aegis is also supporting employees in their career upskilling efforts.

- Daniel Lim, a Singaporean with almost 20 years of experience from our national defence science laboratories, is now taking his expertise into an entirely new field as a data scientist in GDIC.
- GDIC's Managing Director Ms Audrey Kuah, has regularly switched tracks in her career, having started as a media specialist, then taking on roles in Dentsu Aegis such as Southeast Asia Chief Client Officer, before assuming her current role to head up GDIC – where she's now had to immerse herself in all things data, AI and technology-driven.

Growing innovation capabilities for high-growth areas

13. To build innovation capabilities, firms and individuals must embrace new models of collaborative working, continual investment in

proprietary technologies (as we will witness from the tour later), and delivering services and solutions through different business models. Essentially, you have to disrupt yourself before someone else disrupts you.

14. Home-grown accounting firm Precursor Group is an excellent example of a professional service that has taken on this challenge and come out better than before. They have diversified from traditional audit and accounting services to also offer HR and analytics, via a technology-driven, cloud-based model. This has allowed them to scale services to over 500 local and multinational clients with a team of just 60 people. Their business is growing 30% year-on-year.

15. The Government will play an active role in convening innovation platforms to foster partnerships and co-create new solutions. One example of such an innovation platform that will be established 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.

Talent upskilling and reskilling for specialised skillsets in high-growth areas

16. The transformation of Professional Services will bring about new and exciting job opportunities. Many roles which did not even exist until a few years ago are now fast becoming jobs in high demand. However in order for our professionals to get these jobs, they need to have the right skills.
17. To ensure that we groom more Singaporeans like Daniel and Audrey, we are introducing a range of initiatives to help professionals reskill and upskill for specialisations in high-growth areas.
18. Under the Adapt & Grow initiative by Workforce Singapore (WSG), we have launched more than 10 Professional Conversion Programmes (PCPs) relevant to Professional Services. These train PMETs to take on roles ranging from infrastructure projects to digital advertising and HR management. Four new PCPs are being developed to cover professions in Programmatic Advertising, Internal Audit, UX/UI and Building Information Modelling.

19. In October last year, we launched the Skills Framework for Accountancy to support accounting professionals in better understanding the range of career pathways, skills requirements and corresponding training programmes available. This will be extended to relevant sub-sectors in Professional Services.

Helping home-grown firms for Internationalisation and Productivity

20. To further enable the growth of the sector, initiatives are being put in place to enhance Singapore's global market position and grow our exports to regional markets.

- For example, more market- and sector-specific lead generation and profiling platforms will be developed.
- We have also worked with industry partners to put in place programmes such as Tech Start for Law to drive adoption of productivity tools for legal firms and organise business mission trips for small and medium accounting practices.

Conclusion

21. As you can see, this transformation process is a multi-party effort.

It requires the concerted effort of the professional bodies and associate employees and individual professionals, with government playing a catalytic role. For that reason, I am glad to see many of our key partners here today – industry associations and professional bodies. We look forward to your leadership in driving the transformation of the respective sub-sectors. We invite businesses and professionals alike to join us on this journey and we look forward to working hand in hand with you on this.

22. Thank you.