

# LR SME Wire

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BUSINESS GURU

## The Importance of Corporate Training for Organization Growth

GROWING WITH LR

K-Inc Konstruct Pte Ltd



## EDITORIAL

SMEs in Singapore are operating in an increasingly challenging market situation, and the signs are telling. Singapore's gross domestic report (GDP) fell by 1.5% annualized through the last three months. With export figures diving tremendously last month, Singapore is still tethering on the verge of a technical recession.

Concurrently, economists are also expecting Singapore's manufacturing economy to continue contracting due to the ongoing European Crisis and the strengthening of Singapore currency has made local products and services expensive. Hence, Singapore is no longer an attractive low-cost business location, attracting foreign business set ups.

These are symptoms that our national level of competitiveness had been on a downward slide and one of the key reasons is due to a decreasing trend in productivity levels of Singapore businesses, as recently echoed by Acting Manpower Minister Mr Tan Chuan Jin.

With more and more foreign businesses looking to set base in Singapore as a key Asian hub, local business owners should constantly examine and seek to increase their productivity level in order remain competitive during this turbulent period.

In his interview, Mr Tan also mentioned the importance of labor skills upgrading, as an important means to improve business productivity. In this edition of LR Wire, we will be discussing about the importance of

corporate training for all levels of the company and how it greatly contributes to the growth and expansion of your business.

Skills upgrading plays a big part in the competitive business climate, however many business owners, often send their staff for training blindly or without realistic expectations. Business owners clearly need to determine how sending their staff for training can contribute back to the respective businesses. Otherwise, staff training will often be viewed as more of an unnecessary expense rather than a form of investment with tangible rewards.

A training budget is necessary to be in place regardless of economic conditions, and it should be determined by aligning with the corporate goals set by business owners themselves. Therefore, it is vital for business owners to clearly assess their company's short term and long term goals before deciding how they want to proceed with their training plans. Skills upgrading should only come into the picture if it is able to largely contribute to the company's bigger picture.

As business owners in this current climate, you should not seek the easy way out and resort to cut your training budget when the going gets tough, which will be a detrimental, move for most businesses. By sharing with your staff the company's bigger picture and directing them to the relevant training programs, you can recession proof your business and outperform your competition.

## ***The Importance of Corporate Training for Organization Growth***



WITH THE ECONOMY SLOWING DOWN AND INFLATION RATES ESCALATING, RUNNING A BUSINESS CAN BE A CHALLENGE FOR MANY OWNERS ON A DAILY BASIS. IT IS OF VITAL IMPORTANCE FOR YOUR BUSINESS TO REMAIN ITS COMPETITIVE EDGE IN ORDER NOT TO LAG BEHIND YOUR INDUSTRY PEERS.

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As representatives of your organization, it is absolutely necessary for your employees' job roles to be aligned with short term and long term corporate goals that you had set for your business. However gaps in skills and experiences might cause the employees to fall short of your company's expectations. Therefore, upgrading the skills and capabilities of your employees is the first step towards consistent business growth and success.

Below are the key benefits which you can get out of properly planned corporate training:

### Performance and Productivity Improvements

Better skilled professionals will have the abilities to deliver in their job with higher efficiency. Continuous training will further develop employees' skills set which can improve their performance levels and widen their job scopes. In a rapidly changing business landscape which you are operating in, capable and efficient employees will be able to assist in bringing your business to a whole new level.

### Upgrading your talent pool

Corporate training can allow your employees to live up to their full potential and strengthen your talent pool. Competent workers can be passed on more job responsibilities. They can be the main core of the organization which can have a huge positive multiplication effect on the output of the business, as well as attracting similarly skilled peers from other organizations to increase your staff strength.

### Higher staff retention

Most employees appreciate the opportunity to learn new skills and develop professionally. Do not assume that your staff are simply taking a free ride and will resign upon possessing the necessary skills. Many will actually be much more grateful and willing to work harder due to their improved self – esteem. Training can also be used as a form of reward - stimulating engagement and motivation. Taking time away from their day – to – day job reenergizes them and gives them a fresh perspective on the work.

### Improved customer service

Clients are your biggest business assets. Improving the skill set of your staff will also be beneficial as they can translate the skills obtained to better address clients' needs. Proposing new ideas and strategies developed along the way can only result in happier customer, resulting in long profitable relationships.

The evolving skill requirements for workers in the future have direct implications for employee development as well as your business. Failure to align employee development with the future needs of the company could result in lost opportunities, lost productivity and increased staff turnover.



***Productivity improvements to ensure optimum performance***

*K-Inc Konstruct Pte Ltd*

AS A SEASONED PLAYER IN THE HIGHLY COMPETITIVE CIVIL ENGINEERING INDUSTRY, MR ANDY AHN BYENG SUB, GENERAL MANAGER OF K-INC KONSTRUCT PTE LTD SHARES HIS VIEWS WITH US AFTER ATTENDING THE LOYAL RELIANCE PRODUCTIVITY DEVELOPMENT PROGRAM.

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**LR: What was your motivation in attending Productivity Development Program?**

**Andy:** It is crucial for us as a business operating in Singapore to manage and utilize our resources well. One wrong move and you can easily go from profit to loss making. Thus, we feel that in the current market condition where cost has been rapidly increasing, we need to be able to ensure we are operating at an optimum level at all time.

**LR: How did you go about overcoming these issues above?**

**Andy:** Productivity Development Program has given us the necessary knowledge and skill in identifying bottlenecks in our business operation, reducing wastage, and ensuring continuous improvement in the way we conduct our business.

**LR: Do you feel that the content of the program is applicable to your business?**

**Andy:** They were delivered with a lot of case studies to ensure that as participants we can really understand the concept. Furthermore, the tools and techniques shared were very relevant and easy to integrate to our current business operation. We would like to take this opportunity to thank Loyal Reliance for sharing this invaluable knowledge with us. We believe that the concept is something that can be applied to businesses from various industries.

**LR: Thank you very much for your time, Andy. We wish you greater heights for your business endeavours.**

**Andy:** Thank you very much.



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