

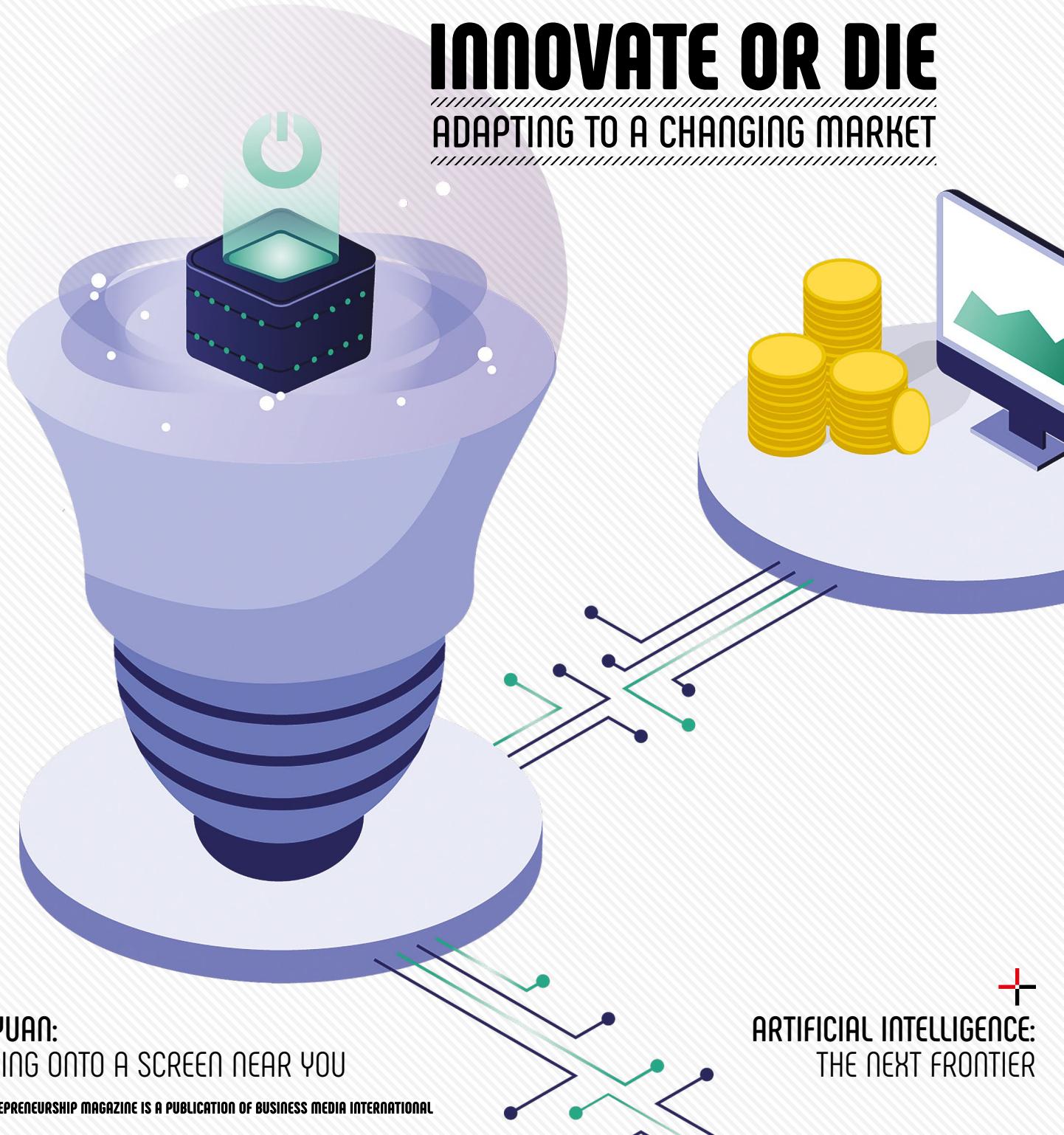
# SME

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## INNOVATE OR DIE ADAPTING TO A CHANGING MARKET



ERIC YUAN:  
ZOOMING ONTO A SCREEN NEAR YOU

SME & ENTREPRENEURSHIP MAGAZINE IS A PUBLICATION OF BUSINESS MEDIA INTERNATIONAL



ARTIFICIAL INTELLIGENCE:  
THE NEXT FRONTIER

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AUGUST 2020

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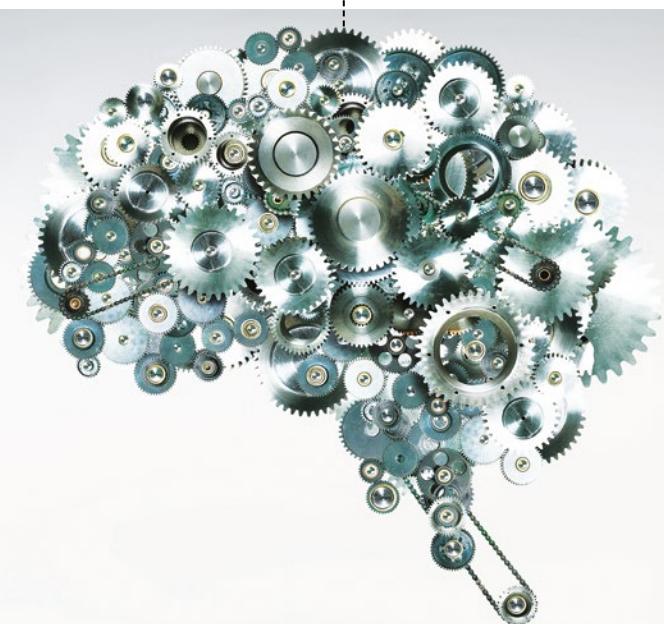
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GROUP PUBLISHER / EDITOR-IN-CHIEF Dato' William Ng

**EDITORIAL** Editor-at-Large Jennifer Lee **Associate Editor (Indonesia)** Tony Kusuma **Assistant Editor (Singapore)** Kevin Tan  
**Assistant Editor (Malaysia)** Ong Xiang Hong [xianghong@businessmedia.asia](mailto:xianghong@businessmedia.asia) **Writer** Jordan Low [jordan@businessmedia.asia](mailto:jordan@businessmedia.asia)

**MARKETING + BUSINESS DEVELOPMENT** Operations Director Dato' Ryan Ooi [ryan@businessmedia.asia](mailto:ryan@businessmedia.asia) **Associate Publisher** Rozita Shuib [rozita@businessmedia.asia](mailto:rozita@businessmedia.asia)  
**Assistant General Manager** Tan Yong Keat [yongkeat@businessmedia.asia](mailto:yongkeat@businessmedia.asia) **Head of Marketing and Products** Lynne Wong [lynne@businessmedia.asia](mailto:lynne@businessmedia.asia)  
**Senior Communications & Marketing Executive** Wan AzDan [wanzadan@smemagazine.asia](mailto:wanzadan@smemagazine.asia) **Administrator (Indonesia)** Nurasiah Jamil [amie@smemagazine.asia](mailto:amie@smemagazine.asia)

**ADVERTISING SALES** Senior Account Manager (Malaysia) Eileen Wong [eileen@businessmedia.asia](mailto:eileen@businessmedia.asia) **Account Manager (Singapore)** Candice Lee [candice@businessmedia.asia](mailto:candice@businessmedia.asia)  
**Account Manager (Indonesia)** Richard Sugianto [richard@businessmedia.asia](mailto:richard@businessmedia.asia)

**SPECIAL PROJECTS** Senior Project Managers Daniel Loo, Sam Hew **Project Managers** Ivy Hng **Assistant Project Managers** Ivan Kong, Jansen Chan, Jason Ooi, Jay Wu  
**ADMINISTRATION** Senior Finance Manager Alex Yong **Finance Manager** Jason Tay **Assistant Finance Manager** Syarfa Watyi

**Senior Accounts Executive** Carmen Foo **Accounts Executive** Choh Li Pin

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**EDITORIAL ENQUIRIES/ARTICLE SUBMISSION** [editor@smemagazine.asia](mailto:editor@smemagazine.asia) **SUBSCRIPTION ENQUIRIES** [circulation@smemagazine.asia](mailto:circulation@smemagazine.asia)

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 Wish To Contact Us?

**MALAYSIA** The Campus, Level 6, Kelana Park View Tower, Jalan SS 6/2, 47301 Petaling Jaya, Selangor, Malaysia **T** +603 7803 0499 **F** +603 7880 3515

**HONG KONG** Unit 1704, 17/F, Tamson Plaza, 161 Wai Yip Street, Kwun Tong, Hong Kong **T** +852 5808 2366

**SINGAPORE** 1 Raffles Place, Tower One, #44-01A, Singapore 048616 **T** +65 3158 9809

**THAILAND** 331, 331/1-3, The Pilot Building, 9th Floor, Silom Road, Bangkok 10500 **T** +66 2235 0570 / 1 **F** +66 2636 7519

**WWW.SME.ASIA**

**LETTERS TO THE EDITOR** must include the writer's name, address and contact number and should be emailed to [editor@smemagazine.asia](mailto:editor@smemagazine.asia). You may include a pseudonym if so desired. Letter may be edited for space and clarity. **LOCAL EDITIONS** of SME is published in Singapore and Malaysia every first week of the month. SME & Entrepreneurship Magazine is a publication of Business Media International. **CONTRIBUTIONS** are welcomed. Text and photos (hi-res, above 1MB) should be emailed to [editor@smemagazine.asia](mailto:editor@smemagazine.asia) with full contact details. **REPRINTS & PERMISSION:** reprints can be ordered (minimum 1,000 copies) from the publisher. No part of this publication, including photos and illustrations may be reproduced or used in any way without prior written consent of the publisher.

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## A HELPING HAND TO MALAYSIAN SMEs ADJUSTING TO NEW NORMAL

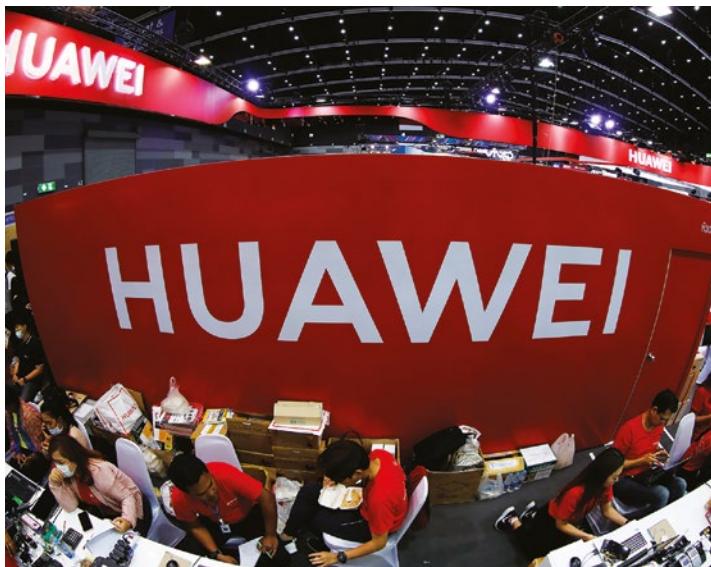


Malaysian SMEs were already in the midst of their own digital transformation before the pandemic hit. However, most were nowhere near ready for the massive disruption caused by COVID-19. As such, The Malaysia Digital Economy Corporation (MDEC) has introduced several initiatives on E-commerce, Gig Economy, Talent Development and SME Growth

to empower and sustain the target group with digital transformation in the new norm. MDEC Business Digital Adoption director Muhundhan Kamarapullai said the agency under the Communications and Multimedia Ministry has been promoting digitalisation among SMEs since the enforcement of the movement control order (MCO) in March.

### TIKTOK ENTERS RACE TO DIGITISE INDONESIAN SMEs

TikTok, one of the world's fastest-growing social media platforms, has set its sights on helping the SMEs of Indonesia to digitise in the wake of the COVID-19 pandemic. TikTok Indonesia said that the platform wished to capture as many of Indonesia's 6 million SMEs as possible with its new advertising service for businesses. As thousands of SMEs flock to online platforms to market their products amid the 'new normal', there has never been a more opportune time for platforms such as TikTok to offer their assistance. TikTok's owner, Beijing-based ByteDance, plans to take a US\$100 million loss this year to provide free advertising credits to SMEs worldwide willing to try the platform's services.



### HUAWEI PILOTS 5G UNMANNED VEHICLE IN THAILAND SMART HOSPITAL



Huawei, together with Thailand National Broadcasting and Telecommunication Communication (NBTC) and Siriraj Hospital, initiated "Unmanned Vehicle Pilot Project Driving Thai Healthcare to 5G Era" to pioneer the use of unmanned vehicle for the first time in smart hospital in ASEAN. The self-driving delivery vehicle takes advantage of 5G technology from Huawei to bring about contactless delivery solution of medical supplies, which will elevate the medical system to 5G era by applying the latest technology and innovations to drive medical services and the healthcare industry. Such technology can replace manpower in logistics services as it can operate in complex environments.



## MASTERCARD COMMITS US\$33M TO SUPPORT SMEs IN INDIA

**T**heir dependence on the cash-economy and supply chain disruptions have made India's SME businesses amongst the hardest hit from the COVID-19 pandemic. To address these challenges, Mastercard today announced a commitment of INR250 crores (US\$33 million) to help reboot Indian SMEs and enable business

recovery. This is an extension of Mastercard's expanded worldwide commitment to financial inclusion which pledges to bring a total of 1 billion people and 50 million SME businesses into the digital economy by 2025. In April this year, the company also pledged US\$250 million to support SMEs globally.



## MALAYSIA AIRLINES-JAPAN AIRLINES PARTNERSHIP TAKES OFF

**M**alaysia Airlines and Japan Airlines finally launched their joint business partnership on July 25, cooperating commercially on flights between the two countries. The airlines said the partnership would help to enhance convenience between Japan and Malaysia and allow customers to benefit from more flight choices. With

Malaysia Airlines resuming flights to Japan starting July, both airlines combined will offer four weekly services between Kuala Lumpur to Tokyo Narita in July and August. This initiative will enable both Malaysia and Japan airlines to enhance their capabilities, and leverage on each other's strengths.



## CHINA PROVINCES EXTEND SOCIAL INSURANCE BREAK FOR SMEs

**T**he provinces of Guangxi and Anhui became the latest Chinese regions to exempt employers from contributing to employee social insurance through the end of the year. The relief measure was put in place in order to help regional authorities address the economic impact of the COVID-19 pandemic and its subsequent lockdowns. The policy, announced June 28 by

the State Administration of Taxation, builds on business-relief efforts first implemented after the onset of the health crisis earlier in the year. In the Guangxi and Anhui provinces, SMEs are exempt from paying three forms of social insurance. These insurances include basic old-age insurance, unemployment insurance, and work-related injury insurance.



## INDONESIA UNVEils US\$40B BOND SCHEME TO FUND RECOVERY

**I**ndonesia's central bank has agreed to buy a total 574.59 trillion rupiah (US\$39.74 billion) of low-yielding government bonds this year to help fund the economic recovery programme, said Finance Minister Sri Mulyani Indrawati. The bond-buying programme will help finance the 2020 fiscal deficit, which is

forecast to reach 6.34 percent of GDP this year, more than triple an initial plan of 1.76 percent, as the government steps up spending to fight the virus outbreak while revenue drops. Some 397.56 trillion rupiah of bonds will be used to finance public interest programmes and the cost will be fully borne by the central bank, Indrawati said.



## MALAYSIA'S BUDGET 2021 BASED ON FOUR BROAD THEMES



Malaysia's Finance Minister said the government would focus on four broad themes in next year's Budget.

Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz and the four themes covers caring for the people,

steering the economy, sustainable living and enhancing public service delivery. He added that education, employment, social protection and social mobility will feature prominently in Budget 2021. The Budget is scheduled to be presented on 6 November.



## CISCO LAUNCHES FINANCING PROGRAMME TO SUPPORT FILIPINO SMEs



Cisco has recently launched a new financing programme that is aimed at helping SMEs in the Philippines invest in cutting-edge technology. Said programme allows for investments at 0 percent interest and are devoid of any upfront costs, at a fixed 3-year monthly payment term. SMEs will be able to purchase hardware, software

solutions, as well as services under the programme to help kickstart their technological transformation. "The world is going through an uncertain economic period and, at Cisco, we are committed to doing our part to help lighten the burden for Philippines' SMEs," said Karrie Ilagan, Managing Director, for Cisco Philippines.



## 42 PERCENT OF MALAYSIAN SMEs HAVE DOWNSIZED

**U**p to 42 percent of Malaysian SMEs have reduced their number of employees as a result of the economic downturn caused by COVID-19 and the subsequent lockdowns it caused. At the same time, up to 47 percent of SMEs still expressed confidence about future prospects. According to a

collaborative report by Facebook, the World Bank, and the Organisation for Economic Cooperation and Development entitled the "State of Small Business", SMEs have remained steadfast, resilient, and agile despite the onslaught of challenges that has been brought up as a result of COVID-19.

### DIGITAL COMMERCE ON THE RISE IN APAC

**A**s COVID-19 alters our daily lives, consumers in Asia Pacific are rapidly going digital with purchases of everything from groceries to movies in a shift that looks set to become a permanent habit after the pandemic passes, Mastercard research shows. E-commerce and contactless payments continue to grow in popularity as people make the move to digital by default and we reduce our use of cash, according to an ongoing study by Mastercard in multiple markets around the world that analyses the impact of current and future consumer behaviour.



### BUY MALAYSIA CAMPAIGN TARGETS RM513 MILLION SALES

**T**he government is targeting sales of at least RM513mil for this year's Buy Malaysia Campaign that will take place from July until the end of the year. Domestic Trade and Consumer Affairs Minister Datuk Alexander Nanta Linggi said last year's campaign from September to December saw sales of RM430mil for both Malaysian products and services. The figures only cover major retailers and online marketplaces, and does not include smaller retailers, for example. To revitalise and re-energise the economy, we have to focus on local enterprises. "Their products will be given priority. If we can help our local enterprises, there will be no loss of employment. That is important for the Malaysian people," he said.



## MALAYSIA ALLOCATES RM315M FOR START-UP INDUSTRY

**T**he Malaysian government has allocated RM315 million to strengthen the start-up industry in the country post-COVID-19 pandemic. Deputy Science, Technology and Innovation minister Ahmad Amzad Hashim said for that purpose the Ministry of Finance had agreed to provide an additional allocation of up to RM100 million to Malaysia Debt

Ventures Bhd (MDV) to finance the Technology Start-up Funding Relief Facility (TSFRF). Based on a survey by Malaysian Global Innovation and Creativity Centre (MAGIC) conducted on April 4, it was discovered that nearly 50 per cent of start-up companies required RM500,000 to RM1 million to ensure the sustainability of their businesses throughout 2020.



## UOB MALAYSIA AND THE FINLAB LAUNCH DIGITAL TRANSFORMATION PLATFORM

**U**nited Overseas Bank Bhd Malaysia and The FinLab have launched The FinLab Online, a regional digital platform to help local SMEs and start-ups implement digital solutions to transform their businesses. The digital platform will incorporate the Jom Transform Programme, the first business transformation programme in Malaysia to help local SMEs

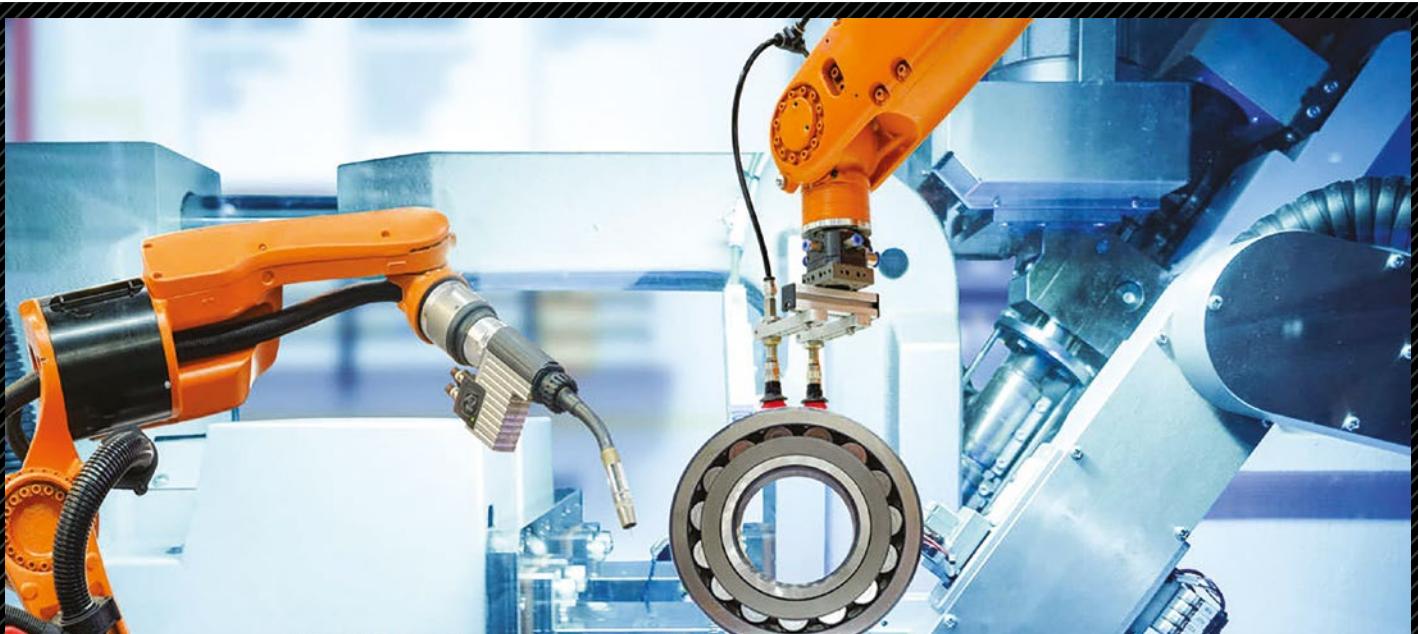
digitalise their operations for productivity and revenue growth. Participating SMEs in the Jom Transform Programme this year will go through a one-month curriculum on The FinLab Online. They will be able to tap the expertise of industry mentors from UOB and its regional ecosystem partners through online workshops, video tutorials and webinars.



## INDONESIA SEEKS TO INCREASE SME's ROLES IN SUPPLY CHAINS

**I**ndonesia's Industry Ministry has sought to increase the role of SMEs in supplying raw materials for larger businesses, as the government intends to rely less on imported goods. A program that ran from July 1-15 prepared selected SMEs by helping them with brand registration, packaging as well as with National Industrial Standards (SNI) and halal

certification to meet big producers' product standards, according to Gati Wibawaningsih, the ministry's director general of small and medium enterprises. The program is part of the government's efforts to increase the role of small businesses, which contributed nearly 61 percent to the country's economy, to help reduce big industries' imports of raw materials and intermediate goods.



## AUTOMATION GRANT TO SUPPORT SMEs MAKING THE DIGITAL LEAP

**T**he Malaysia Digital Economy Corporation (MDEC) has introduced the #SMART Automation Grant (SAG) as part of the government's initiative to expand support for SMEs to make the digital leap in this era of unprecedented disruption. Chief executive officer Surina Shukri said the SAG, which is under the National Economic Recovery Plan (Penjana), takes a partnership approach

between the government and SMEs to drive forward digitalisation for Malaysian businesses. "The SAG for the services sector is necessary as many SMEs are trying to survive in this disrupted business environment. In fact, most are also looking to do more digitally so they can overcome any potential challenges that may negatively impact their operations and income generation," she said in a statement.



## SME BANK THAILAND GREENLIGHTS B62M FOR SAMUT PRAKAN

**T**he Small and Medium Enterprise Development Bank of Thailand (SME D Bank) has approved another 62.3 million baht in soft loans to 41 SMEs in Samut Prakan to help them get through the COVID-19 crisis. Businesses in auto parts, electronics,

plastics, chemicals, construction, packaging, biomass and processed agricultural products have been granted access to the loans with low interest rates. One loan programme that aims to bolster the local economy offers 2.8 percent interest for the first three years of the loan.



## COVID-19 SPURS DIGITAL TRANSFORMATION IN PHILIPPINES

**S**MES are a critical part of Philippines' economy. SMEs account majority of all businesses and 63 percent of the Philippines' total employment. The government realises this and has launched various measures to help the sector wade through the current scenario. Other stakeholders have also

come forward to play their part. Several stakeholders have launched new financing programmes to help SMEs purchase technologies at low-to-zero percent interest and with no upfront costs. All this support will further accelerate the adoption of technology among SMEs. **SME**

BY  
JORDAN  
LOW

## GLATE 2.0 HOME SECURITY SYSTEM



any smart security solutions on the market will keep an eye on outdoor environments but can have a slow response time, which is just one of several things the Glate 2.0 home security system aims to help solve. The system works effectively to thwart intruders by monitoring continuously for motion and only starting to record when someone is in proximity to end false alarms. The system doesn't utilise facial recognition functionality to put a focus on increased privacy for those who are weary of the biometric technology.



## BANG & OLUFSEN BEOSOUND A1 SPEAKER

**T**

he latest generation Bang & Olufsen Beosound A1 speaker has been unveiled by the high-end audio brand as a compact device that will bring premium sound with the user wherever they go. The pocket-sized speaker has a slimmer design that's also more lightweight and will deliver up to 18 hours of playback thanks to the newer, more efficient battery within. The unit has a more powerful Bluetooth processor for stronger connections with devices, while also providing a better frequency response.

## 'FANIONIZER' NEGATIVE ION GENERATOR

**T**

he 'FANIONIZER' negative ion generator is an aftermarket product for placement on fans, air conditioners or any other home device with a fan that will work to freshen the air in a noninvasive way. The device works by being positioned in front of the air current and will immediately go to work generating anions that will freshen the air, eliminate airborne particles and more. The device doesn't use a filter, is cord-free and won't add too much additional heft to existing solutions to make it as easy as possible to integrate into a space.



## AEROGARDEN BOUNTY WORKS

T

The latest AeroGarden Bounty model is a connected indoor hydroponic garden appliance for consumers who are looking to grow their own herbs and produce year-round without the need for any soil. The unit features space for up to nine plants to be grown at a time and can be expanded upwards thanks to the sliding light to accommodate up to 24-inches of growth. The appliance puts a focus on a connected experience thanks to built-in WiFi and even works with the Amazon Alexa voice assistant to stay in control at all times.



## 'AIRDOT' PORTABLE LUGGAGE COMPRESSOR

T

The latest AeroGarden Bounty model is a connected indoor hydroponic garden appliance for consumers who are looking to grow their own herbs and produce year-round without the need for any soil. The unit features space for up to nine plants to be grown at a time and can be expanded upwards thanks to the sliding light to accommodate up to 24-inches of growth. The appliance puts a focus on a connected experience thanks to built-in WiFi and even works with the Amazon Alexa voice assistant to stay in control at all times.



## TENDA NOVA MW6 MESH WIFI SYSTEM

T

The Tenda Nova MW6 Mesh WiFi System is an advanced networking solution for users seeking out a low-cost way to enhance the connectivity capabilities of their Internet service. The system works with a series of individual router units that all link together using MESH technology to create an ultra-strong WiFi connection that will easily reach up to 6,000 square feet of space. This will accommodate larger homes and even outdoor areas to prevent connectivity dead zones from ever being an issue again. SME

BY  
ONG XIANG  
HONG

# FROM THE GROUND: HOW ENTREPRENEURS ARE WEATHERING COVID-19

I

t's probably an overdone theme at this point, but it must be restated that COVID-19 pandemic has changed the face of business for the foreseeable future.

We are now in a watershed moment of history, where the 'new normal' may be a permanent feature of life from now on. Many businesses have been taken by

complete surprise with the way things unfolded.

But SMEs are a resilient lot, who persevere through challenges great and small. Across Asia, many businesses have taken measures to defend their business and hunker down for what will be a rough year ahead. Institutional help from governments and banks like Affinbank have also enabled businesses to weather the storm.

## PERSEVERING IN A NICHE

One of the SMEs that's currently riding out the crisis is PRC Bike & Toys. Based in northern Malaysia, PRC started its business in bikes and toys. At present, PRC has a huge variety of products that is offered to its customers of all ages. It includes baby tricycles, children bicycles, electrical bikes, e-cars, e-scooters & e-bikes. Besides, the bicycle range, PRC also has a line of children and baby toys.

Founded by Ch'ng Wee Ping in 2015, PRC has established good reputation and trust and

is well known among local suppliers of the same industry. Currently, it has seven outlets at hypermarkets across Malaysia.

Nevertheless, the COVID-19 pandemic and lockdown has affected it. Wayne Tan Teik Zing, the CFO of PRC, said, "On 16 March 2020, we received the news announced by our Prime Minister that there will be a lockdown on whole country with effect from 18 March 2020. We were terrified. During the lockdown, we are not allowed to open our stores for business and we do not know when the pandemic would be over. The lockdown started and if this continued without any timeline, our business will be severely affected. The things that came to our mind were our employees' salaries, rentals and our trade creditors debts. A day before the lockdown started, we called for an emergency meeting and discussed how to save the company."

The approach adopted by PRC could be summarised as follows:



- ◆ Put a freeze on non-essential spending
- ◆ Defer/extend payments with vendors and landlords
- ◆ Renegotiate prices with vendors
- ◆ Open and actively promote our products through online sales
- ◆ Actively pursue government/Bank Negara Malaysia initiatives/programs, banks and other fundraising companies.
- ◆ Discuss and develop strategic plans/re-evaluate and change business models for securing business, to rebuild for resilience and for future growth

**STICKING TO A VISION** Like PRC, PONEY is another SME that has a wide reach in Malaysia. Founded in 1992, PONEY was started as a result of founder Albert Tan's vision for a brand that provides comfortable yet fashionable apparel for kids ranging from newborns to up to 12 years old. He says, "The inspiration for PONEY came from the desire to create genuine and long-lasting happiness for the children. We want our creations to bring out children's youthful exuberance and their joyful feeling. That's our ultimate goal."

Together with his wife, Tan built the business and soon opened PONEY boutiques in strategic locations like The Mines Shopping Mall and KLCC. PONEY has over the years progressively and aggressively expanded its distribution networks; and today, it has millions of customers. PONEY has also made its international appearances in Singapore, China, Indonesia, the Middle East and other countries.

To deal with the COVID-19 pandemic, Tan has taken this time to check the feasibility of the business model. "The market is constantly changing, it is imperative to reconsider the business model and reassess where our business stands as per assumptions concerning the revenue and cost. It is vital to track current financial metrics and cash flow, and reevaluate the impact on new sales, collection, credit cycles and potential bad debts," he explains.

"Optimising stock level was the first step we took before making the next purchasing orders. We also negotiated with landlords to save up to 35 percent on rentals. Next, we have come to an agreement with our suppliers to

have an extended payment term. Internally, we are maximising our current resources in terms of interdepartmental transfers by optimizing manpower across departments creating a cross functional environment in the firm. Lastly, we unified the sharing of marketing expenditures across both online and offline sales channels," he continued.

**BOUNCING BACK** While the COVID-19 pandemic devastated businesses, it also allowed survivors to relook their business strategy and reposition themselves for more sustainable growth.

In particular, online channels have been a lifeline for many businesses. As people stayed home, online shopping has been the go-to for consumers. Just like COVID-19, technology has changed the way people work and live – and the lockdown only accelerated the tech adoption trend.

PRC's Tan said, "During the COVID-19 lockdown, since all stores could not open for business, we had to think of other alternatives and that is to sell our products online which we previously had not focused on. We utilised technology and online sales to meet changing consumer behavior. To our surprise, online orders kept coming in, we quickly called our staff to come back to stores to help to do assembly and packing the order. In just a short period during the lockdown, more than 500 bicycles of different sizes were sold."

"COVID-19 enabled us to understand that the future is changing greatly. We need to rethink traditional business operations, enter the new retail world, linking online to offline and collecting market data. PRC is vigorously promoting new technology like online retail, online video inquiries, livestream shopping, and market data collection. New customers can experience online shopping with their mobile phones, and they can also choose their favorite color/pattern/design. With this, PRC started connecting customers and manufacturers to give customers the best price, quality, and orders," he continued.

Similarly, PONEY used their existing online resources to keep the cash flow going. Albert Tan said, "We have established our online presence a few years ago. You may find us in prominent online marketplaces such as Shopee, Lazada and Zalora. But our very own website poney.com.my is in fact generating most of the income in this unprecedented time. We were agile and reacted correspondingly to changes in the sentiment. We started leveraging data, telemarketing and digital marketing to strengthen our position. We converted our store salespeople to telemarketers, calling each of our customers and letting them know the latest offers and deals available online. We then acquired new customers from social media platforms such as Facebook, Instagram and Google. Additionally, we set up an affiliate program whereby we approached a few KOLs (key opinion leaders) to further build our brand awareness."

**RECOVERY PHASE** With COVID-19 infection rates declining, it is important that businesses play their part in returning the economy to normal, while staying vigilant against COVID-19. PONEY's Tan says, "It is still uncertain when the market will return to be normal, there are many predictions on the shape of the recovery, either V, U, W or L. Whatever it may be, we need to plan beforehand and act fast and accordingly."

In general, the shift in tone is optimistic. Wayne Tan of PRC says, "Malaysia has been hit with a series of stiff challenges this year – the COVID-19 pandemic, crash in global oil prices and political instability which saw an unexpected change of government. However, glad to say Malaysia has done remarkably well in flattening the COVID-19 curve, thus putting the economy in a stronger footing to recover. With the interstate travel ban lifted and people's movement much less restricted beginning in June, industries in Malaysia can slowly shift back into high gear. Our business has also picked up quite fast and recorded an increase of about 25 percent after MCO. As such we are able to pay off suppliers and employees' salaries."

Nevertheless, challenges remain. Wayne Tan explains, "The one resource we wish we had more right now is capital. We are working with our bank, which is Affinbank, in currently planning for an expansion to boost our growth; capital is crucial in every business expansion endeavour, we plan to use our capital raised to open more retail outlets which is part of our business expansion plans to grow our brand and customer base. After this pandemic, we have learned that cash flow management is vital. Cash is king, and even more so in times of crisis. Liquidity will now be at the forefront of a company's list of issues due to the poor trading conditions. Given its importance, companies should immediately develop a treasury plan for cash management as part of their overall business risk and continuity plans."

Albert Tan of PONEY further adds, "In this digital era, consumers' behaviors change tremendously fast, without having the right digital technologies, there is no way you can catch up with the fast-evolving market. Hence, investment towards digital transformation is a necessary step, having real time data of your customer base gives you an upper hand. By conducting analysis, you will know your customers better and be in line with the trend, every decision should be justifiable and not based on guts feel. In the longer term, digital transformation will simplify business operations and save costs as well as improving overall efficiency and effectiveness." **SME**



Albert Tan



Wayne Tan

# INNOVATE OR DIE

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## ADAPTING TO A CHANGING MARKET

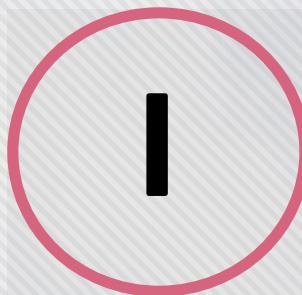
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BY  
ONG XIANG  
HONG



**"IT IS NOT THE STRONGEST OF THE SPECIES THAT SURVIVES, NOT THE MOST INTELLIGENT THAT SURVIVES. IT IS THE ONE THAT IS THE MOST ADAPTABLE TO CHANGE."**

- Charles Darwin



If a person from the year 2000 was teleported to today, he or she would scarcely believe the innovations that have happened.

For one, the Internet has exploded from a niche hobby to mainstream utility. Miniature computers that can serve up any information desired is now in everyone's pockets – they are more commonly known as 'smartphones'. An entire service ecosystem is now just a tap away.

And that's without mentioning the shifting business scene. Manufacturing has gotten exponentially more refined, more automated, and cheaper. The tech economy burst once in 2001, but has since gone on an upward trajectory.

Customer expectations have changed, from just being passive consumers, to becoming active buyers of experiences.

All that just within two decades.

Businesses that have failed to keep up are legion. In that time, many storied brands have fallen by the wayside, their crowns taken by young pretenders. All these usurpers had to do was innovative and exploit a niche in the market. The incumbents were either ignorant, dismissive, or both – resulting in their business getting smaller and smaller over the years, until it could not be sustainable.

## STEPS TO PROMOTE INNOVATION

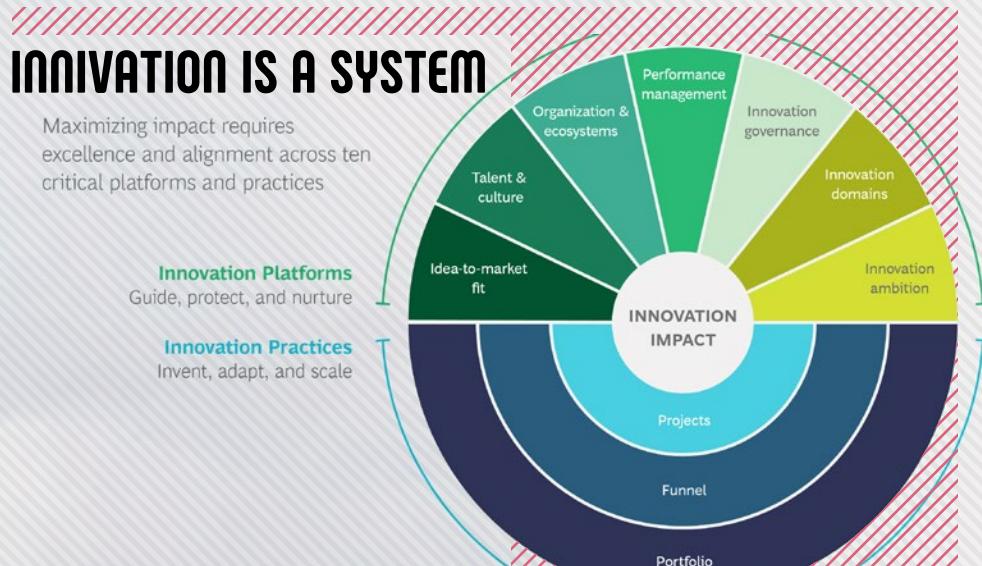
- Have processes to capture ideas, eg brainstorming sessions, workshops etc
- Create a supportive atmosphere in which people feel free to express their ideas
- Encourage risk taking and experimentation
- Promote openness between individuals and teams
- Share responsibility for innovation, so everybody feels involved in taking the business forward
- Reward innovation and celebrate success
- Look for imagination and creativity when recruiting new employees

## INNOVATION IS A SYSTEM

Maximizing impact requires excellence and alignment across ten critical platforms and practices

**Innovation Platforms**  
Guide, protect, and nurture

**Innovation Practices**  
Invent, adapt, and scale



Source: BCG Innovation to Impact benchmarking database.

# IS YOUR INNOVATION SYSTEM CALIBRATED FOR SUCCESS?

<b>PLATFORMS</b> Innovation Ambition Innovation Domains Innovation Governance Performance Management Organization & Ecosystems Talent & Culture Idea-to-Market Fit  <b>PRACTICES</b> Projects Funnel Portfolio	<p>Do we have a shared innovation purpose—an aspirational goal that inspires our best talent to invent better ways to serve customers?</p> <p>Is our innovation strategy grounded in both deep customer insight and foresight—and do we regularly revisit/adjust our plan?</p> <p>Do we put people/budgets behind shared innovation priorities, even when responsibility for innovation is distributed across the organization and key external partners?</p> <p>Do our metrics and incentives reward both those who drive incremental progress—and those who explore the unknown to open new vistas?</p> <p>Is our organizational network of R&amp;D units, venture vehicles, digital units, and the like aligned and fit for purpose?</p> <p>Do we have true business builders and do we allocate our very best talent to our most ambitious initiatives?</p> <p>What's the last truly novel idea we developed that solved a 'hair on fire' problem for customers? What made it special?</p> <p>Do we have a clear view of our unfair advantage relative to our competition, and do we wield it decisively?</p> <p>Do we have clear criteria for funding decisions along the funnel—and do we perform regular post-mortems to improve our decision making?</p> <p>Do we actively manage our portfolio, shifting resources to ensure alignment with strategy and market opportunities—and do we dare to take rare non-consensus bets?</p>
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Sources: BCG analysis; BCG i2i team.

Hence why innovation is an important trait in every business – SME or corporate. Innovation and creativity may be hard, but it is an essential habit to cultivate for any business to be sustainable in the long run.

**WHAT IS INNOVATION?** The dictionary definition of innovation is simple enough: the introduction of new things, ideas or ways of doing something. But how is it applied in business?

Business innovation is when companies implement new processes, ideas, services, or products with the goal of boosting the bottom line. It could mean launching new and improved products or services (which can lead to higher revenue), making an existing process more efficient, or solving a current business problem (both of which cut down on costs and save time). The key element of innovation is that it drives revenue for the company.

Innovation has become such a hot topic that its true meaning is often lost in the noise. While some use it as a catchall buzzword for simply using the latest technology or making change for change's sake, the definition of "innovation" is limited to changes to the core business of an organization that leads to growth.

For example, it is not enough to buy the latest software, if the underlying system and workflow is clunky and outdated. Microsoft Word will not make a slow typist type faster. Putting lipstick on the proverbial pig does not work.

**WHY DOES INNOVATION MATTER?** Business innovation matters for one simple reason: value. In order for your business to thrive, it is crucial to be continually innovating and improving. Successful business innovation means finding new revenue opportunities, optimising existing channels and, ultimately, generating higher profits. It should also give companies an advantage over your competitors.

When done right, business innovation takes stock of where the market is going due to potential disruptors or changing consumer demands. Businesses use that information to make strategic changes and to entice internal employees to be entrepreneurial. Those changes can include building a product or service similar to what new startups are making, buying it from others in the industry, or partnering with the upstarts (known as the "buy, build, partner" model).

A lot of business innovation also happens by making existing business processes less costly, less time-consuming to complete, and more sustainable. Those changes save time and make it easier for an organization to adapt to industry shifts with agility, which cushions against volatility and risk.

## STEPS TO PROMOTE INNOVATION

Study market and industry trends

Communicate with your stakeholders

Assess what the competition is doing

# INNOVATORS GET THREE THINGS RIGHT

## "Walking the Talk"

- Innovation success starts with commitment – making innovation a priority and investing decisively behind that ambition. And boldness – being willing to pursue opportunities beyond your core.

## Staying Agile

- Smaller, agile organisations like SMEs have an edge in developing winning products, services, and business models.

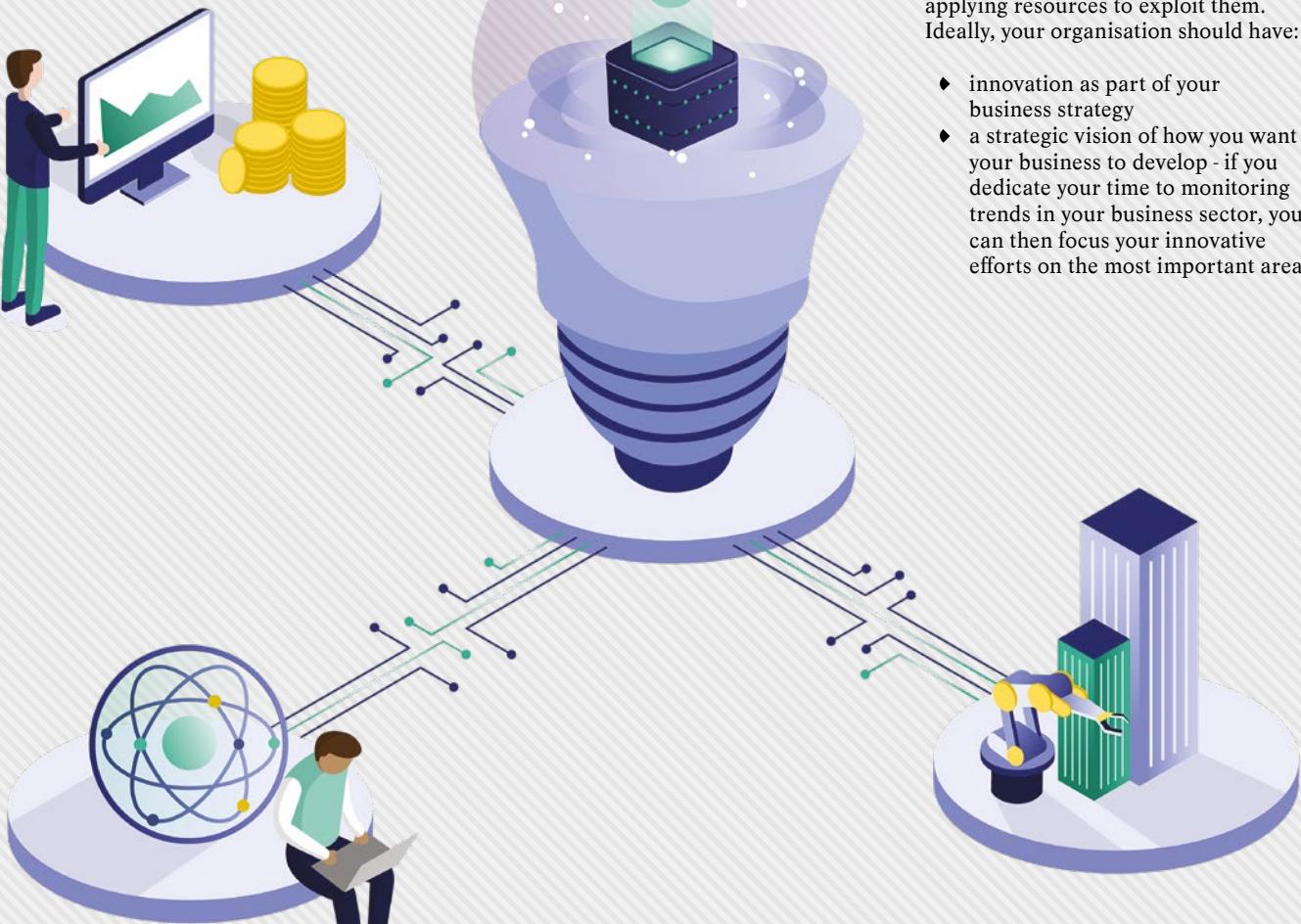
## Sticking with Best Practices

- To drive a cycle of perpetual innovation, embrace best practices and be internally consistent across all dimensions.

**HOW DOES INNOVATION HAPPEN?** It is important to be clear about the difference between invention and innovation. Invention is a new idea. Innovation is the commercial application and successful exploitation of the idea.

Fundamentally, innovation means introducing something new into your business. This could be:

- improving or replacing business processes to increase efficiency and productivity, or to enable the business to extend the range or quality of existing products and/or services.



- developing entirely new and improved products and services - often to meet rapidly changing customer or consumer demands or needs.
- adding value to existing products, services or markets to differentiate the business from its competitors and increase the perceived value to the customers and markets.

Innovation can mean a single major breakthrough – for example a totally new product or service. However, it can also be a series of small, incremental changes. But like writing a book or creating a painting, having an innovative idea can strike at any time. Ideas may come from:

- inside the business, eg from employees, managers or in-house research and development work.
- outside the business, eg suppliers, customers, media reports, market research published by another organisation, or universities and other sources of new technologies.

Nevertheless, in a business, having a systematic approach in place helps the innovation process a lot. Success comes from filtering those ideas, identifying those that the business will focus on and applying resources to exploit them. Ideally, your organisation should have:

- innovation as part of your business strategy
- a strategic vision of how you want your business to develop - if you dedicate your time to monitoring trends in your business sector, you can then focus your innovative efforts on the most important areas.

# SIX ORGANISATIONS THAT FAILED TO INNOVATE



**01. KODAK**  
 Kodak, a pioneer in photography, squandered every digital opportunity it had because it didn't want to cannibalise its film business. In fact, many of the technologies underlying modern digital cameras were invented by Kodak. The company gravely misunderstood the new ways consumers wanted to interact with their photos, the technologies involved, and the market forces surrounding them. It failed to take risks and ended up going down with its legacy business.



**02. NOKIA**  
 When Apple introduced the iPhone in 2007, Nokia dismissed it out of hand, as it didn't have a physical keyboard. To be sure, the Finnish company had touchscreen phones as well, but they had a clunky OS that was rooted in the pre-Internet age. None of the company's phones were optimised for the Internet and app-first era – as a result it haemorrhaged market share to the iPhone, and later, Google's Android.



**03. GENERAL MOTORS**  
 Think of a classic 1960s American automobile, and you'd be thinking of muscle cars like the Chevrolet Camaro or the iconic Cadillac tail fins. By the 1970s, these thirsty machines were all gone as a result of the 1973 oil crisis. Cheap, reliable, and frugal Japanese imports stole market share from GM. The Detroit giant never regained the mojo it once had, and the 2007 financial crisis saw GM file for Chapter 11 bankruptcy protection.



**04. YAHOO**  
 Yahoo dominated Internet traffic in the early 2000s. By the end of the decade, it was a shadow of its former self. They had opportunities to buy out rivals Google and Facebook, but they undervalued the importance of search and social media. The decision to focus more on media meant they neglected the user experience, and crucially they also missed the boat on mobile.



**05. COMPAQ**  
 Compaq was one of the largest sellers of PCs in the entire world in the 1980s and 1990s. The company produced some of the first IBM PC compatible computers, being the first company to legally reverse engineer the IBM Personal Computer. Compaq ultimately struggled to keep up in the price wars against Dell and was acquired for US\$25 billion by HP in 2002. The Compaq brand remained in use by HP for lower-end systems until 2013 when it was discontinued.



**06. HITACHI**  
 Along with Toshiba, Sharp, and Panasonic, Hitachi was one of the major brands of white goods from Japan's manufacturing wave. But as cheaper Korean and Chinese brands hit the market, Hitachi's market share steadily dwindled. Corporate Japan's cozy rivalries among domestic competitors was also a drag on growth as innovation slowed and costs remained high.



# SIX INNOVATIVE ORGANISATIONS



## 01. MEITUAN DIANPING

The Chinese tech platform expedites the booking and delivery of many types of services, from food, hotel stays, and movie tickets – in other words, a transactional super-app. In 2018, it facilitated US\$33.8 billion worth of transactions for more than 350 million people in 2,800 cities. Meituan uses data regarding users' consumption habits, including price sensitivity, to recommend other things they'll like. Its Smart Dispatch system, introduced in 2015, schedules which of its 600,000 motorbike riders will deliver the millions of food orders it fulfills daily.



## 02. GRAB

The other transactional super-app in Asia, Grab has expanded its app to offer its 130 million users not only food delivery and travel booking, but also financial and other services. Unlike rival Uber – which it forced out of Southeast Asia in 2018 – Grab has opted for an open platform, partnering with the likes of Toyota, Microsoft, and Mastercard rather than build everything itself.



## 03. BYTEDANCE

Bytedance uses artificial intelligence to link people with large amounts of information. The company's flagship app, Toutiao, offers a personalized ranking of news, videos, and content from thousands of media outlets and millions of users and updates them in real time based on a user's actions: what they click on, read, and comment upon. Its viral content creation tool, TikTok, uses similar tools to simplify editing by suggesting cuts and AI-generated special effects.



## 04. THE WALT DISNEY COMPANY

The entertainment juggernaut retooled its organization to deliver its own video services rather than license content to rival Netflix. It's diving head-first into streaming, with family friendly Disney+ delivering the company's storied portfolio; ESPN+ streaming sports to fans around the globe; and acquiring 21st Century Fox and its vast library.



## 05. ALIBABA

Chinese commerce giant Alibaba's Hema Xiansheng stores are the showpiece of what it calls "new retail," the seamless blending of the digital and physical experience. The company is not thinking of offline to online in a traditional sense; instead viewing the physical and virtual worlds as a seamless whole. In a Hema store, users can scan items to get information about their provenance and freshness and, ultimately, pay for them.



## 06. TESLA

Tesla's goal of shifting the auto industry to electric is clearly successful – it has achieved consistently growing revenues (passing US\$20 billion in 2019), and was the highest performing automaker in terms of total return, sales growth and long-term shareholder value at the start of 2020. Tesla uses headline-grabbing moves like the Cybertruck and the Roadster 2.0 to build hype and burnish its innovation credentials, while focusing on its core line of vehicles to achieve a central goal: bring a new innovation to market. **SME**



BY  
JORDAN  
LOW

# PETROCHEMICAL AND PLASTICS



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COVID-19 has turned everything on its head. For the better part of 2020, the pandemic has caused unimaginable damage and disruption to the world's economy. No nation has been left unscathed. Business is down, shops have shut their doors, and supply chains have been disrupted.

Only a handful of businesses and industries have managed to thrive during these trying times. Those that have survived either have enough financial clout to pull through, the ability to adapt and transform digitally, or provide a service that is still in high demand despite the sharp drop in consumer spending. Some examples of industries that have survived are petrochemicals and plastics.

Ask any business savvy person a decade ago about what they thought about the future of petrochemicals and plastics, and they would probably have given a bleak answer. Despite their useful application in our everyday lives, the growing global realisation of the consequences of environmental damage has put new hurdles for the petrochemicals and plastics industry to tackle.

Since the acknowledgement of climate change in the mid-1950s, concerted efforts have been made in order to ensure businesses and organisations limit the amount of pollution that their respective industries create. Plastics in particular gained an especially bad reputation due to its incredibly long lifespan and durability; which ironically is also technically why plastics are so useful.

In recent years, both the petrochemicals and plastics industries have been making efforts to limit their carbon footprint and waste production in order to conform to the environmental demands of both the public and governments. As such, growth for these industries has been less than stellar as of late.

However, both the COVID-19 pandemic and the falling popularity of internal combustion engines may ironically be the catalysts that pave the way for a triumphant return of petrochemicals and plastics.

## ENVIRONMENTAL SIGNIFICANCE OF PETROCHEMICALS

Found across a vast range of modern products, petrochemicals are part of the fabric of our societies. Everything rang-

ing from clothing, tyres, digital devices, packaging, detergents and countless other everyday items are made from petrochemicals. Petrochemical feedstock accounts for approximately 12 percent of global oil demand, a number which is expected to increase driven by a recent increase in demand for plastics and other products.

Despite the wide range of products that require petrochemicals the sector continues to take a back seat in the global energy debate. Experts are well aware of the potential issues that the petrochemical industry poses to the environment. However, with petrochemical products having an integral presence in modern society, being found in plastics, fertilisers, packaging, clothing, digital devices, medical equipment, detergents, tires and many others including modern energy systems, the road ahead will not be an easy one.

Already a major component of the global energy system, the importance of petrochemicals is continuing to grow. Demand for plastics, the most familiar group of petrochemical products, has outpaced that of all other bulk materials, more than doubling since 2000.

According to a report by the International Energy Agency (IEA), developed economies, such as the United States and Europe, currently use up to 20 times as much plastic and up to 10 times as much fertiliser as developing economies such as India and Indonesia, on a per capita basis. This highlights huge potential for growth worldwide.

Despite the massive benefits they provide, including a growing number of applications in various cutting-edge, clean technologies critical to a sustainable energy system, the production, use and disposal of petrochemical-derived products poses a variety of sustainability challenges that urgently need to be addressed.

The IEA remains a key driver in creating strategies that ensure that the petrochemical industry is headed towards achieving UN Sustainable Development Goals. While it remains to be seen how effective these strategies will be in curbing the future waste production of the industry, it is a step in the right direction in ensuring environmental stability.

**THE FUTURE OF PLASTICS** Plastics have essentially become synonymous with petrochemicals, arguably becoming its most well-known application. Like many other industries, plastics saw a massive surge during and after World War II. The

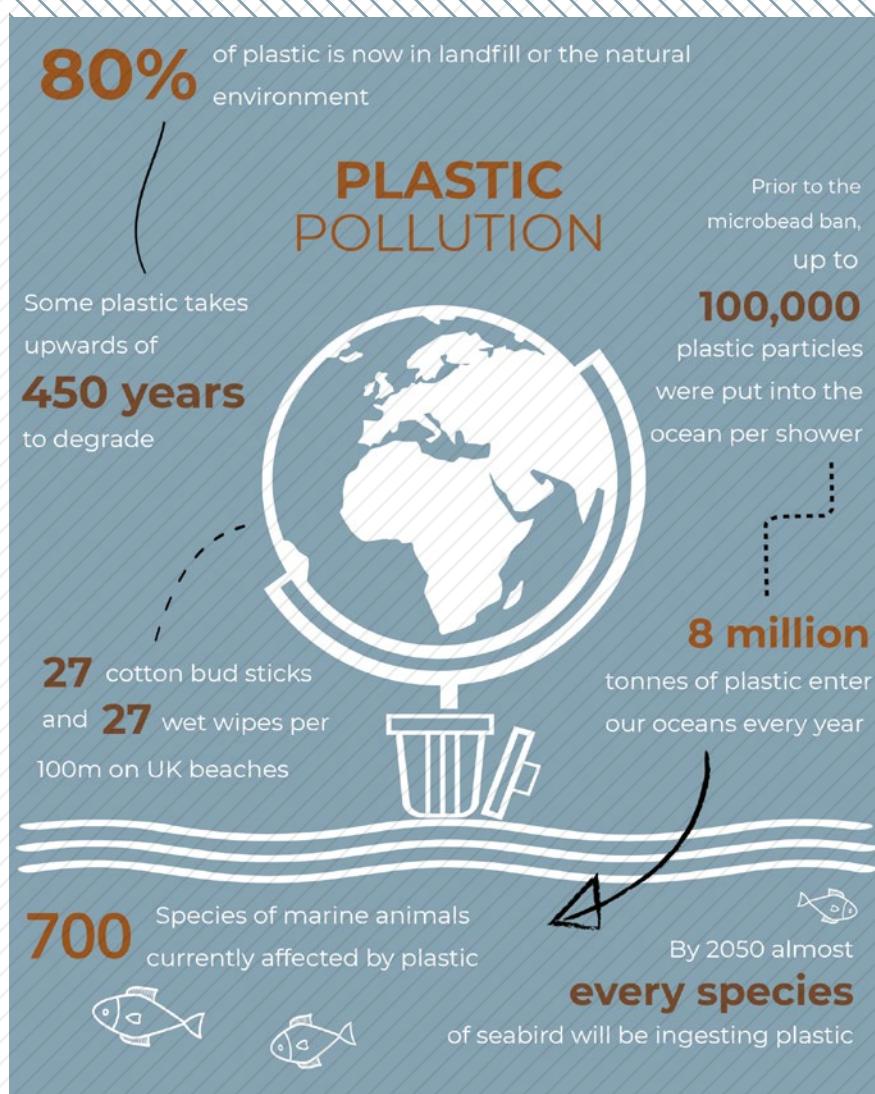
global market began to boom as the world struggled to rebuild and recover, resulting in massive demand for all sorts of goods. The flexibility of plastics offered gave some observers an almost utopian vision of a future with abundant material wealth thanks to an inexpensive, safe, sanitary substance that could be shaped into endless possibilities.

This pristine reputation did not last unfortunately. As early as the 1960s, plastic debris was observed in the oceans. This was the same time when public awareness regarding environmental problems was increasing. As awareness about environmental issues spread, the persistence of plastic waste began to trouble observers. As public perception of plastics began to deteriorate, plastics also gradually became a word used to describe

that which was cheap, flimsy, or fake.

The reputation of plastics was damaged even further as the potential risks to human health became more and more apparent. Some scientists and members of the public voiced concerns regarding evidence that certain harmful chemicals leach out of plastics and into our food, water, and bodies.

Despite the growing distrust, it remains a fact that plastics are critical to modern life. Plastics made possible the development of computers, cell phones, and most of the lifesaving advances of modern medicine. Lightweight and good for insulation, plastics help save fossil fuels used in heating and in transportation. Inexpensive plastics has raised the standard of living and made material



abundance more readily available.

Since plastics have become near indispensable, scientists and researchers have begun looking at ways to make plastics safer and more sustainable. New innovations such as bioplastics made from plant crops and biodegradable plastics are slowly making headways. All of these innovators recognise that plastics are not perfect but that they are an important and necessary part of our future.

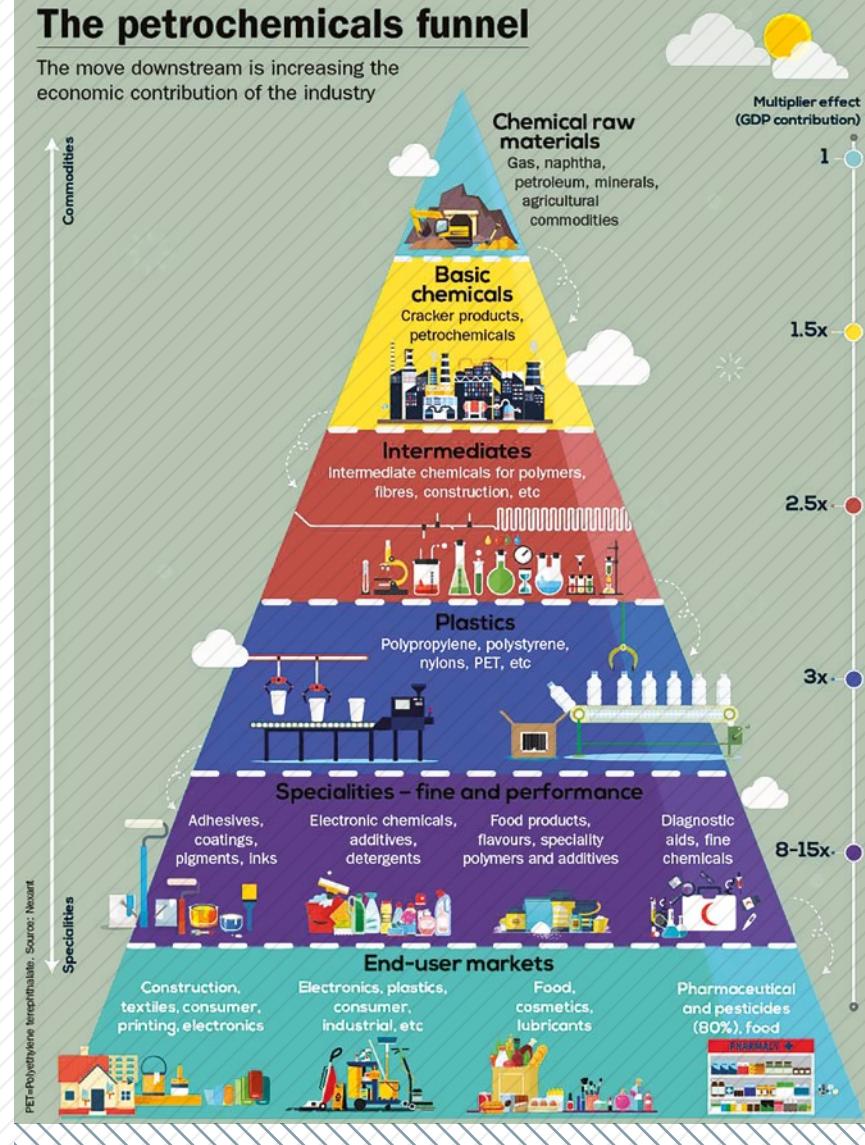
The global plastic market size itself was valued at US\$568.9 billion in 2019. Experts believe that the industry will continue to grow at a compound annual growth rate of 3.2 percent from 2020 to 2027. Growing population combined with rapid urbanisation and industrialisation in developing economies has been compelling federal governments to increase their construction spending to cater to increasing infrastructure needs. Rising construction spending by governments, particularly in China and India, will drive the demand for plastics in infrastructure and construction applications.

**THE LEGACY OF COVID-19** Millions of businesses worldwide have been negatively affected by COVID-19, and even more jobs are either at risk, or have been lost outright. Factories and businesses have been forced to shut down temporarily in order to prevent the spread of the coronavirus, resulting in disrupted supply chains and a shortage in almost every conceivable product. Many of these businesses, especially the SMEs, may not open their doors ever again.

COVID-19 has been the bane of economies for over half a year now. The plastics and petrochemicals industry has been similarly affected, albeit not as badly as some other sectors. Owing to their application in almost everything in everyday life, petrochemicals and plastics are some of the lucky few industries that still see decent demand amid an ecosystem of more conservative spending.

Demand for plastics has been hampered in various applications including construction, automotive, electrical and electronics, and consumer goods as a result in a halt in manufacturing operations, restrictions on supply and transport, and economic slowdown across the globe. Despite this, some industry experts believe that the necessity of many of these products in modern daily life at least means that the industry is able to continue operations in some capacity.

Others hold a more pessimistic view on the situation. Over the past few years, concerns were being voiced regarding an oversupply of plastic. Throughout 2019 and early 2020, reports from the plastic supply lines from across the world reported huge surpluses in materials, both raw and processed such as polyethylene and natural gases.



These experts argue that in order to resolve the excess supply situation, the petrochemical industry should push to expand demand for plastic products worldwide. One such solution is to push back against plastic bans. Such opportunities seem more possible in the current climate where one-use plastics are being utilised as preventative measures against COVID. Another way is to increase the number of products wrapped in plastic in countries where plastic use is not already as widespread. The most obvious place to do that is in developing nations; whereas in the US the demand for plastics hovered around 80 kilograms per person per year in 2015, the demand per person in India was just 9 kilograms.

Overall, the question of whether or not COVID-19 will herald a return to form for the plastics and petrochemicals industry is still up in the air. While single use plastics and protective gear has certainly seen a rise in popularity during the pandemic, it is unquestionable that there exists a huge surplus of plastic in the market. This combined with the potential environmental and health risks could serve to neuter the industry further; despite the efforts of researchers to improve the environmental friendliness of plastics. For now, it remains to be seen how this will play out. **SME**

# COMPLEMENTING HEALTHCARE WITH GONSTEAD CHIROPRACTIC

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hiroactic therapy is concerned with the diagnosis and treatment of mechanical disorders of the musculoskeletal system, especially the spine.

While this may sound close to physiotherapy, chiropractors have proposed that such disorders affect general health via the nervous system. Chiropractic techniques involve manual therapy, especially manipulation of the spine, other joints, and soft tissues, but may also include exercises.

Chiropractic therapy has always been an art form combined with the same scientific and researched human anatomy, physiology and biomechanics that all modern health professions follow with specific respect given to the relationship between the skeleton and the nervous system and the body's inborn ability to heal.

At BeWell Chiropractic, a subset of chiropractic therapy called the Gonstead method is used. Gonstead procedures are the result of extensive clinical research by Dr Clarence S Gonstead, founder of the Gonstead Clinic of Chiropractic in Wisconsin. Dr Gonstead's fifty-five years of continuous practice and over four million chiropractic adjustments resulted in the most complete method of biomechanical analysis available for use by today's practitioners.

It is a thorough, specific and complete method which has been around for over 50 years. The Gonstead system is an effective approach to finding and treating the cause of pain. This methodological system of physical analysis is suited for all ages, from infants to the elderly.

Chiropractic therapy and the Gonstead method is different from Chinese "tit-tar", which focuses more on bone-setting used to correct body misalignment. The chiropractic practice is a scientific



study acknowledged by World Health Organisation, which encourages and supports its proper use.

BeWell Chiropractic's Gonstead chiropractic methods have been proven to work countless times based on all its patients. Dr Michiko Liew, director at BeWell Chiropractic attests that, "Our Gonstead chiropractic methods have been proven to work countless times based on all our patients. One moment,

they came in a wheelchair, next thing you know, they walked themselves out. When their friends and family saw that transformation, they believe that we are miracle workers. With that belief instilled into their minds, it is our greatest success of our business."

Furthermore, Dr Liew also believes that greater awareness of the Gonstead technique is needed. "If there was only one resource I had more right now, it would be to be able to create

awareness of the Gonstead chiropractic technique in the industry. We aim to make waves in the medical & health industry by letting people know the existence of Gonstead chiropractic and there is no need for surgery in many cases. When people actually witness how effective our practice are, it will revolutionize the health & medical industry in Malaysia," she says. **SME**

# ERIC YUAN



COMPILED  
BY  
JORDAN  
LOW



# ZOOMING ONTO A SCREEN NEAR YOU

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ommunication is arguably the single most important things in the entirety of human history. But what is communication exactly? Simply put, communication is the act of exchanging information. This might seem overly simple to be a historic concept, but in truth, the importance of information exchange cannot be overstated.

Humans are social creatures and there really is only so much that we can accomplish alone. The very reason we were able to progress intellectually and technologically was due to a constant sharing of information all throughout our history. Without communication, our ancestors would never have developed relations, never found cities, never developed culture, and most definitely would never have advanced technologically.

Therefore, when asking what is the singular most important thing in business is; most companies will likely say communication. Business in its most basic form is simply a commercial activity. In order for two entities to conduct business, there must be communication. In fact, many historians agreed that trade was among the first concepts ever conceived by mankind in pre-history and developed alongside communication. All throughout the ages, from the barter system to currency, communication was key in order for parties to understand the value of items being traded and the negotiation of fair trade.

In today's business ecosystem, communication is not only important for negotiating deals and applying value to products and service. Effective communication can help to foster a good working relationship between management and staff, which can in turn improve morale and efficiency. Without proper communication, a business might be faced with delays, increased stress among the workforce, and plenty of frustration.

With the COVID-19 pandemic causing havoc for most of 2020, communication became one of the most challenging hurdles to overcome as businesses were required to close their offices and enforce a work-from-home policy. As such, the use of communication software skyrocketed. This allowed businesses to continue to operate efficiently despite the massive disruption to the norm.

In this edition of SME, we will be taking a look at arguably the most used communication software throughout the pandemic, Zoom, and the man behind it; that being Eric Yuan.

## EARLY LIFE

Eric Yuan was born in 1970 in Tai'an, China. Yuan's parents were mining engineers, who were always supportive of his dreams and ambitions, always willing to fund his pursuits in education.

Yuan went to Shandong University of Science and Technology and received a bachelor's and master's degrees in applied mathematics and computer science. It was during his college years where the idea for Zoom began to form. Yuan had to take ten-hour long train rides in order to pay his girlfriend a visit at the time. As such, he began pondering on ways that he could communicate with her without having to take such time-consuming transportation.

Shortly after completing his education in the mid-90s, Yuan attempted to move to the United States. In an interview with Thrive Global, Yuan said that he understood that the internet was the future and he wanted to capitalise on it. However, despite being all the rage in China, the internet was not yet well-developed there. Thus, Yuan applied for a US visa; and failed; eight times in fact! After a two year struggle, Yuan managed to finally obtain a visa after his ninth attempt and moved to the US to begin his journey.

## THE AMERICAN DREAM

When first arriving in the US, Yuan didn't know how to speak English flawlessly. However, the one thing that he knew well was to write computer code and that landed him an engineering job with a videoconferencing software company WebEx. He did fairly well for himself, working for the company until it was taken over by Cisco in 2007. Cisco decided to retain Yuan as its Corporate VP of engineering, in charge of collaboration software and earned a salary in the high six figures.

Despite being highly successful, Yuan wasn't all that happy. This was because he realised that his customers were not happy with the video-conferencing services. Wishing to put more emphasis on customer satisfaction, he got the idea to develop a platform that would make customers happy.

In 2011, Yuan decided to kick-start his new venture, which he named Zoom. Over 40 engineers from Cisco followed him to his start-up that finally took shape in 2012 and Zoom was launched as a video conferencing app. It took some time before Zoom began to pick up its pace.

During the early stages of the company, Yuan would go out of his way to engage with customers in an effort to improve the overall experience. He would personally email every customer who cancelled their service in order to find out how things could improve.

By 2015, Zoom had hosted over 20 billion annualised meetings minutes and reached 90 percent of the top 200 U.S. universities. A few years later, the company had 1,700 employees and its revenue doubled in 2018 to more than US\$330 million.

Today, as the COVID-19 pandemic ravages the global economy; Zoom has become synonymous with communication. Both household and offices have adopted the software as a means to keep in touch and maintain social distancing in a time of quarantine health precautions. Zoom has become an overnight success by allowing businesses and supply chains to continue operating with efficiency while ensuring the threat of the coronavirus spreading remains low. However, according to Yuan himself, this success was years in the making.

## LONG ROAD TO SUCCESS

While the pandemic was the final push that landed Zoom in the global spotlight, the company itself was built around offering customers a communications solution that would leave them feeling happy and satisfied. As previously mentioned, the company itself was founded due to Yuan's desire for customer satisfaction.

Yuan's dedication to the idea of happy customers saw investors buy into his vision of "video is the future of communications" during the company's IPO in 2019. It is also partly responsible for the rapid growth the company has seen since. There are downsides, however, to such rapid growth and the added attention that comes with it. Like more traditional social networks, Zoom now faces concerns about privacy and online harassment.

Under Yuan's leadership, the company has acknowledged the issues it's software currently faces, accepted responsibility and have announced their intentions to fix them and restore faith in their product. Based on Yuan's philosophy and dedication to providing the best service possible, it is very likely that Zoom will do its genuine best to address these new challenges.

## EMPATHETIC LEADERSHIP

Yuan has on numerous occasions espoused the value of empathy when running a company. During an appearance at a webinar session, Yuan stated that he would often ask his employees if they were happy. If so, he encourages coming into the office. If not, he sees no need for them to come in. He'd rather them stay home and work on their own happiness.

Additionally, he mentions the need to keep communications open and transparent. This is important as both a leader and a businessman as keeping things clear and concise is what Yuan believes is the key to great communication.

When asked about keeping his board and fellow executives focused on people when most of them are focused on numbers, Eric stated that it's his job to choose the investors and executives that care about the people. Till this day, Yuan and his team believe in a healthy work-life balance. While they stress checking in on themselves every day, they still believe in working hard. The Zoom formula of creating great culture, hard work, and staying humble, reflects how they approach their everyday challenges. SME



# Our services & products

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**IVF  
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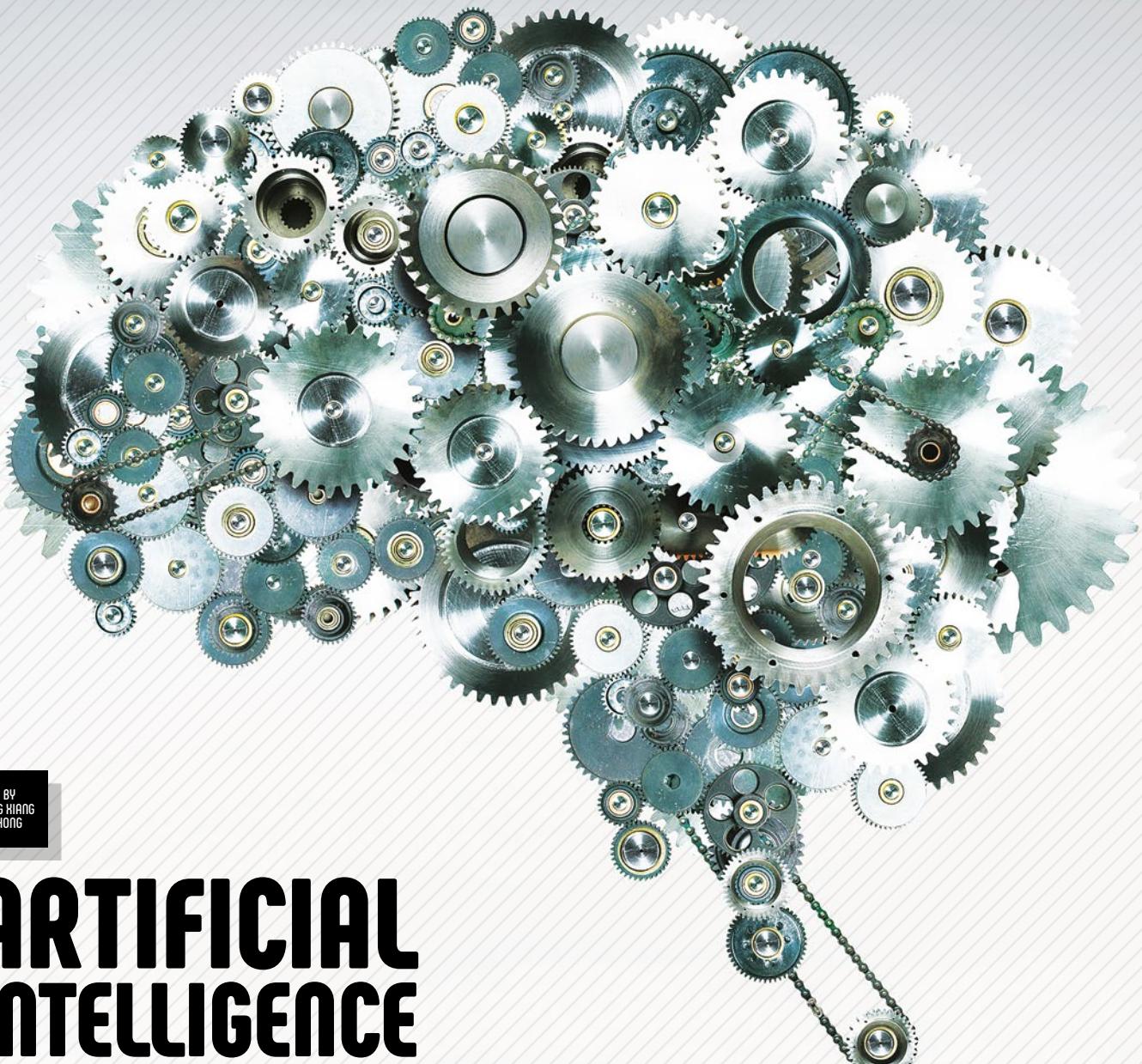
**Management  
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**An award winning fertility consultancy**  
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BY  
ONG XIANG  
HONG

# ARTIFICIAL INTELLIGENCE

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## THE NEXT FRONTIER

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t 5.30 am, Jason opens the staff entrance to his café. In just over an hour's time, the first commuters will come

through the front door for their morning fix of caffeine.

Before he briefs his staff for the day, Jason boots up his laptop and pulls up a business dashboard software. In seconds, his virtual advisor will tell him he needs around 1,000 plastic cups and an extra 30 kg of coffee for the coming week. It deduces this information by going through Jason's

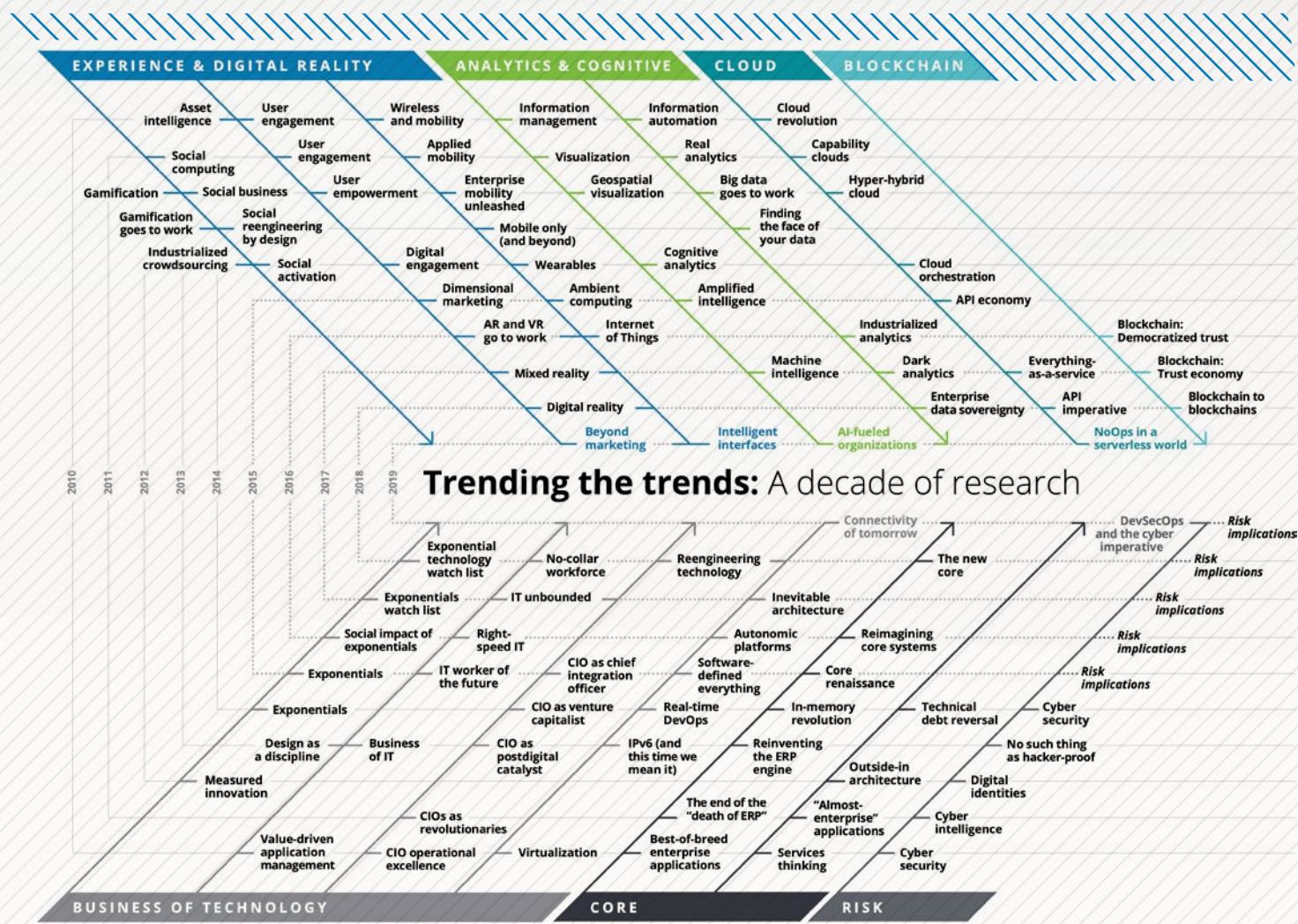
accounts, sales and expense histories, local event information, and past tourism data.

Jason also knew the shop needed a new coffee machine, but he had been putting it off for several months. With his business savings, he could either order the new machine now or make a payment on the term loan he had taken out three years ago to start the business. If he continued to put off a replacement, the machine could break at any moment, and espresso was the best-selling item on the menu. On the other hand, he was almost done paying off her loan, and procrastinating another month would add interest.

Again, the robo-advisor comes to the rescue. It informs that Jason can use his savings to pay down the loan,

while buying the coffee machine with his credit card. Using current sales projections, Jason can pay off his credit card bill within two months without taking too big of a hit on interest. With this information, Jason confidently orders the coffee machine from his supplier, who estimates it will take around a week to arrive.

Throughout the course of the week, Jason's bot quietly took control of the tedious administrative work behind his business – payroll, deductions, taxes, etc. Sales receipts and purchasing can also be done with one tap from the virtual assistant's interface, enabling Jason to spend more time interacting with customers and focusing on rolling out a new line of iced coffee for the coming hot season.



# AI USE CASES IN BUSINESS

Of course, Jason and his café are fictional. But the technology that's running it is not. The potential is clearly there for technology, and specifically artificial intelligence (AI) to assist entrepreneurs and improve the businesses they run.

There is no doubt: these technologies already exist and are already changing businesses. But the businesses they are helping are large companies. Now, the question is whether they can help SMEs, and are SMEs willing to adopt them.

## WHAT IS AI?

AI is a wide-ranging branch of computing, whose goal is to simulate "intelligence" as we know it. Some AI scientists distinguish AI from human intelligence by differentiating between "machine intelligence" and "natural intelligence". Key cognitive functions that AI developers seek to emulate include learning, recognition, and problem solving.

Using this definition of AI, it sounds like exotic, far-off science fiction. But in reality, we use and engage AI every single day. From voice search on smartphones, to optical character recognition, and even planning our commute on navigation apps – these are everyday use cases of AI.

Yeo Swee Key, Director Commercial Partners & SMC at Microsoft explains, "AI is embedded in a lot of the solutions that both you and I use on a daily basis. For example, one of the most fundamental AI systems we have in place is the Microsoft Security Risk Detection, which we use to secure our products and services at a global level. This is a cloud-based tool that developers use to hunt for bugs and other vulnerabilities in



Customer insights for sales and marketing



Finance forecasting



Risk and fraud management



Predictive maintenance for machinery



Customer service case management



Sales lead scoring

the software they are preparing to release or use. We also use cloud AI to access high-power computing and storage which supports our big data analytics."

Hand-in-hand with the growth of AI is the growth of Big Data. AI needs data to learn and make its predictions. Thus, the more data you give it, the better its results are. Harnessing the power of data is key for businesses to get the best out of AI.

## WHAT IMPACT WILL AI HAVE ON BUSINESS?

Business leaders are asking: What impact will AI have on my organisation, and is our business model threatened by AI disruption? And as these leaders look to capitalise on AI opportunities, they're asking: where should we target investment, and what kind of capabilities would enable us to perform better?

The impact on productivity could be competitively transformative – businesses that fail to adapt and adopt could quickly find themselves undercut on turnaround times as well as costs. They stand to lose a significant amount of their market share as a result. However, the potential of this initial phase of AI application mainly centres on enhancing what's already being done, rather than creating too much that's new.

To illustrate the immense potential of AI, Japan's Prime Minister Abe Shinzo has said, "Japan has no fear of AI. Machines

will snatch away jobs? Such worries are not known to Japan. Japan aims to be the very first to prove that growth is possible through innovation, even when a population declines."

Corporations are already using AI to assist in their operations. Zeng Zhenyu, General Manager of Data Intelligence, Alibaba Cloud Intelligence says, "AI has penetrated in different aspects of Alibaba's ecosystem to propel further growth. For example, Alime Shop Assistant, a customer-service AI chatbot supported by Alibaba DAMO Academy's machine learning technologies, handled 97 percent of online customer inquiries on Alibaba's e-commerce platforms Taobao and Tmall during the 11.11 shopping festival. The virtual assistant also empowered hundreds of thousands of merchants on Alibaba's platforms with intelligent customer services. For example, Alime answered questions during live broadcasts, extracting answers from pictures and responding conversationally. The Alime chatbot service offers 11 languages to support communications between global buyers and sellers."

"Alibaba DAMO Academy, the global research initiative of Alibaba Group, provides enhanced machine translation technology for cross-border e-commerce platform, AliExpress. The

# KEY AI COGNITIVE TECHNOLOGIES

◆ Machine learning is the ability of statistical models to develop capabilities and improve their performance over time without the need to follow explicitly programmed instructions. Most cognitive technologies are based on machine learning and its more complex progeny, deep learning. That includes computer vision and natural language processing (NLP). Machine-learning adoption was already high at 58 percent in 2017, and it grew by 5

percentage points in 2018 according to research by Deloitte.

◆ Deep learning is a complex form of machine learning involving neural networks, with many layers of abstract variables. Deep learning models are excellent for image and speech recognition but are difficult or impossible for humans to interpret. New technologies are making it easier for companies to launch deep-learning projects, and adoption is increasing.

◆ Natural language processing (NLP) is the ability to extract or generate meaning and intent from text in a readable, stylistically natural, and grammatically correct form. NLP powers the voice-based interface for virtual assistants and chatbots, and the technology is increasingly used to query data sets as well.

◆ Computer vision is the ability to extract meaning and intent out of visual elements, whether characters (in the case of document

digitization) or the categorization of content in images such as faces, objects, scenes, and activities. The technology behind facial recognition (a subset of computer vision) is a part of consumers' everyday lives. For example, some mobile phones permit their owners to log in simply by looking at them, via facial recognition. Computer vision technology "drives" driverless cars and animates cashier-less Amazon Go stores.

technology can help small and medium-sized merchants globally to automatically translate their store and product pages into 21 languages, including Russian, Spanish, Turkish, French and Arabic, for buyers across Europe, Asia, America and the Middle East. During the shopping festival, the machine translation service was used 1.66 billion times, with over 200 billion words translated in different languages," adds Zeng.

Microsoft's Yeo further explains, "Increased use of AI has undoubtedly streamlined our operations at Microsoft. The key goal of AI is to augment and enhance whatever task you are performing. At a very basic level, it can be used to quickly complete tedious tasks. Things like making lists and checking for grammar or spelling can be quite time consuming if done manually, but with AI it can be completed almost instantly. At a higher level, AI can also boost business decision making. Microsoft Dynamics 365 is an example of a tool we leverage in our office, providing a variety of insights obtained through AI-powered data analytics. Using these insights, we are better informed about our customers and we have the ability to quickly adapt and respond to any changes in the market."

## CRITICAL DATA SOURCES FOR AI

Percentage of companies surveyed that say which data source is important to their AI strategy





## GETTING THE BEST OUT OF AI

AI doesn't do its best work when it's isolated from other technologies, or when it's siloed in a lone function or business line. First of all, AI needs data, and as it gets more quality data from more sources, it gains power.

Secondly, some of AI's most valuable uses come when it works 24/7 as part of broader operational systems, such as marketing or finance. AI leaders are therefore operationalizing AI, across multiple functions and business units, in full integration with broader automation initiatives, data analytics or both.

On the other hand, SMEs tend to approach AI in a piecemeal manner. This can result in incompatible systems, or

problems scaling up down the line.

However, approaching AI step-by-step is more affordable and approachable for SMEs who may be wary of the uses and ROI of AI. Arlene Wherrett, Vice President & Managing Director, Sage Asia says, "To accelerate adoption, SMEs need to implement this technology in bite-sized pieces. So basically, start small and increase the use of AI gradually over time in one and then many functional areas. Laying the foundation for AI adoption is key in ensuring the acceleration is a realistic effort."

"Companies should define the areas and expected results, then monitor, measure and record the outcomes. Once the expectations are met successfully,

then share the positive results across the company so as to validate the value of adopting AI further in other business areas and departments," adds Wherrett.

Wherrett also recommends that SMEs consider adoption in internal processes by finance and HR teams, helping businesses manage everything from money to people where mundane repetitive accounting tasks, payroll processing as well as recruitment and salary increments can be automated with AI. Here, SMEs can cut the burden of administration and improve employee management which enhances the performance and productivity of the workforce and ultimately the business.

## TOP EMERGING AI TECHNOLOGIES



### NATURAL LANGUAGE

Language is tricky, even for humans. The goal is for machines to process language and communicate it in a manner that is intelligible to humans.



### DEEP LEARNING

Deep learning seeks to replicate the workings of the human brain in identifying data and making decisions based on it.



### ROBOTIC PROCESS AUTOMATION

This process uses AI in automating tasks that are difficult, expensive, and inefficient to hire a human being for.



### IMAGE RECOGNITION

It's easy for us to distinguish a cat from a dog, for example. But it's surprisingly hard for AI to do so. This branch of AI seeks to teach computers this skill.

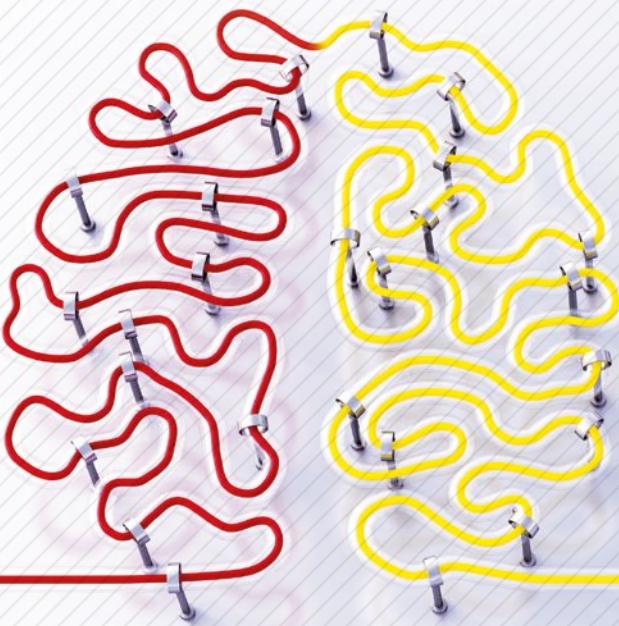


### AI MODELLING

This AI bridges the gap between physical systems and the physical world. An AI workforce can monitor a virtual twin of a machine and run it by predicting failures, for example.

# Google

Much of Alphabet's nearly US\$1 trillion valuation depends on its software: search results, speech recognition, self-driving technology, ad pricing, personal assistant software and much more.



## DON'T DO NOTHING ABOUT AI

No sector or business will be immune from the disruptive effect of AI. Doing nothing is not a feasible option. It's easy to dismiss a lot of what's said about AI as hype. Yet without decisive response, many well established enterprises and even whole business models are at risk of being rendered obsolete.

In the short-term, many of the opportunities and threats are likely to focus on productivity, efficiency and cost – the transformative phase. If you're the CEO of a transport and logistics company, for example, you're already seeing the impact of robots within packing and fulfilment operations. The bigger disruption will emerge when the sector switches to autonomous trucking. So every business owner must ask: am

# amazon

AI powers key capabilities in Amazon like optimising logistics and improving Amazon's Alexa virtual assistant. Amazon Web Services (AWS) is also the leading cloud provider of machine learning services.



# salesforce

CRM giant Salesforce developed Einstein, an AI-powered software that uses data to identify previously unseen business patterns, deliver the hottest sales leads, and predict what marketing copy will perform best.



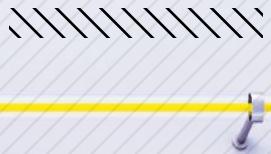
# Baidu 百度

Baidu goes further with AI, winning a 2019 competition against competitors including Alibaba, Huawei and elite Chinese universities. Like Google, Baidu is also in the self-driving car race with its platform, Apollo.



# ByteDance 字节跳动

All of ByteDance's products use AI to deliver content that users want. Whether its news aggregator Toutiao or video creation software TikTok, the company's uses AI to analyse and deliver content based on text and images.

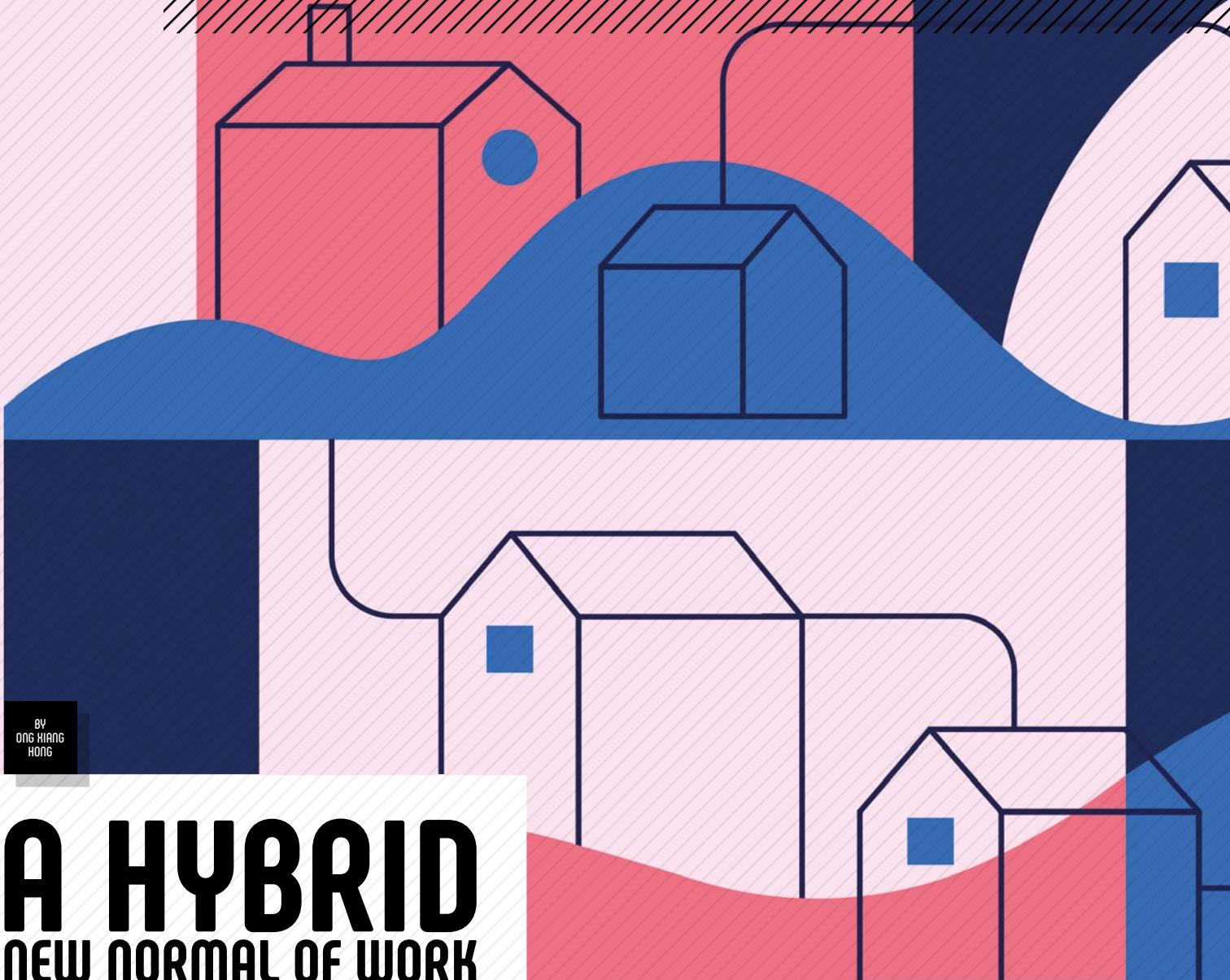


I in a position to move ahead of my competitors?

Even being able to implement incremental improvements in AI can give the business a leg up ahead of the competition. Alibaba's Zeng gives the example of Alibaba Cloud's Industrial Brain, which aims to empower smart manufacturing with data and machine intelligence. The Brain was used to help Zhongce Rubber, a leading manufacturer of automotive tyres in China. Zeng explains, "The Brain was applied to the rubber production process and constructed training data from real-time parameter data generated at the mixing process. A decision tree model was established to recommend optimal processing parameters, which helped reduce

energy consumption and increased yield. As a result, Alibaba Cloud's Industrial Brain helped Zhongce Rubber improve rubber processing compliance rate by 5 percent."

Microsoft's Yeo adds, "Microsoft Office for instance relies on AI to enhance the user experience; things like auto-correct on Word, design ideas on Power Point and the various data sorting tools on Excel all use varying levels of AI to make work more efficient. I view AI as a kind of intelligent assistant that helps us work smarter and be more productive. By making work more efficient, AI helps create space for businesses to pursue new opportunities, which acts as a stimulus to drive innovation – one of the key ingredients for business growth in this day and age." SME



# A HYBRID NEW NORMAL OF WORK

**A**s the COVID-19 pandemic continues to transform our daily lives, many organisations and governments have looked into the impact the pandemic has had on the region's legacy work styles, business operations and how it has accelerated an increase in overall technology adoption, realizing a hybrid new normal of work.

"As different parts of the world were hit by COVID-19, life and work were changed overnight for everyone," said Kady Dundas, Head of Marketing, Microsoft Teams, Microsoft Corp. "All of a sudden we've gone from working in conference rooms to working in living rooms, and when you do that you have a high dependence on video. We know that we have about 200 million meeting participants each day, which equates to 4.1 billion minutes of meetings. Those data points show the tremendous movement to remote work."

## TECHNOLOGY: THE ENabler

Amid the pandemic, Microsoft found that while organizations have prioritized technology adoption to enable remote working environments and overall business transformation, the change was not driven through technology alone.

"The technology side has been relatively straightforward," said Dr Joseph Sweeney, IBRS Advisor and Future of Work Expert. "When COVID-19 came and everyone had to start working from home, Microsoft Teams was an obvious and natural tool to push out. It was already there, and the environment is familiar to anyone using Microsoft Office 365. It skyrocketed."

A forced mindset change was in play encouraging organizations to rethink ways of working, how individuals, groups, and managers interact with one another and the change management needed to adjust to the new normal of work focusing on the emotional impact of the change.

"Often the reluctance to allow remote

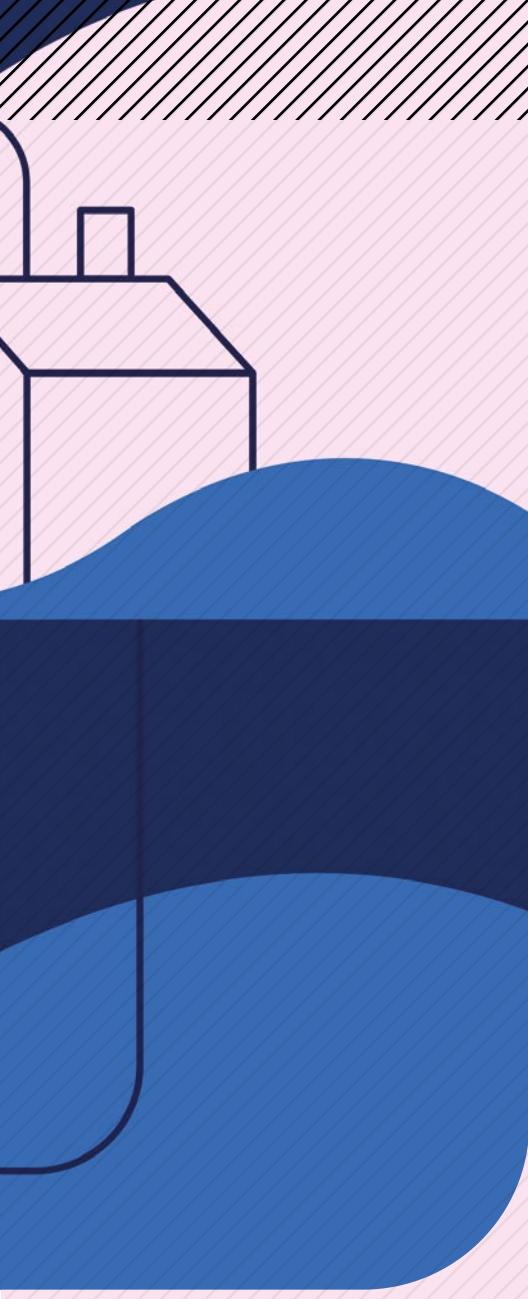
work has to do with a quite outdated concept of how managers need to manage – for instance, you need to be able to 'see' people to police that they are doing what they are meant to," said Sarah Kaine, Associate Professor, Management Discipline Group and Core Member, CBSI – Centre for Business and Social Innovation, University of Technology, Sydney.

## EMERGING TRENDS IN THE NEW NORMAL OF WORK

Some of the emerging trends that organizations need to be aware of as they plan for the hybrid new normal of work include:

### ◆ THE RISK OF BURNOUT –

Organizations need to be mindful of the new perception of availability. According to IBRS Advisor and Future of Work Expert, Joe Sweeney, one common response amongst people in their jobs is to "work harder and not switch off."



Those who have started working from home are fielding calls from their bosses late into the evening, underlining the need to re-draw boundaries for out-of-hours contact.

#### ◆ CAREER PROGRESSION CONCERN –

Organizations will need to reassess how performance is measured. Collaboration tools can measure activity but not the value that an individual has brought to the organization. Organizations are now finding that it is the “introverts” that are delivering while working from home, while the “star player” extroverts are no longer the center of attention.

#### ◆ THE NEED FOR FLEXIBILITY AND EMPATHY –

Research finds that nearly half (47 per cent) of people working from home reported managing at-home distractions as a challenge. Organizations as well as managers and teammates should do their part to not only help employees create a

distraction-free environment but also be more flexible in the delivery of work and empathize with people’s challenges of working from home.

#### ◆ TECH TRAINING AND PREPAREDNESS –

As technology becomes a growing staple for employees, training will need to go hand-in-hand to unlock the full potential of hardware and software. “There have been people who were resistant to change – it was usually the seniors, because they never needed to learn how to use technology. They always had IT support in the room when they needed it,” said Dr. Nitin Paranjape, CEO and Founder, MacOffice Services Private Limited based in India.

#### ◆ INCORPORATING A SOCIAL ELEMENT –

Organizations need to intentionally focus on policy and company culture rather than raw technology. The Microsoft Work Trend Index released in April 2020 reflected this ongoing quest for human interaction – the number of people turning on video in Microsoft Teams meetings had doubled from before working from home became mainstream. Beyond enabling video conferencing, organizations need to find ways to encourage innovation, creative flow of ideas, and camaraderie that makes an employee feel that they are a valued part of an organization.

## THE FUTURE OF WORK IS NOW AND HYBRID

Satya Nadella, Chief Executive Officer of Microsoft shared, “The last five months have made it clear that tech intensity is the key to business resilience. Organizations that build their own digital capability will recover faster and emerge from this crisis stronger.”

Undoubtedly, COVID-19 had accelerated the transition to new ways of working and honed the focus on innovation across the region. At the same time, social and cultural environments also have a considerable impact on how organizations approach the new normal of work.

In some cases, organizations are in the process of aligning themselves to the national government’s own response to the changing nature of work. Hidekazu Shoto, Innovative English and Information and Communications Technology (ICT) Teacher, Ritsumeikan Primary School in Japan shared how the primary school had to find ways to respond to the changing regulatory environment around work that the

government had been implementing. “We just started a new working time system, to follow the new labor laws in Japan. With that in mind, and each teacher’s individual circumstances at home, we had to think about how to match compliance with flexibility,” said Hidekazu Shoto.

In countries where commutes are longer, organizations will find that more staff wish to work remotely. “The appeal is often due to the convenience of professionals being able to manage their own timing,” Andy Khoo, Maybank Head of Customer Experience, based in Singapore, said. “There’s less transportation and time spent on the road – particularly in countries like Indonesia, Thailand and India, where commutes can be long. For other places, like Singapore, it’s simply that staff find they’re more productive when working from home.”

Meanwhile, countries with expensive real estate – such as Australia and Singapore – will find financial benefit in transitioning to a model where office space is shared and cycled among employees that spend part of the time in the office, and other times working from home.

The hybrid approach in the future of work reflects how the lines of work and personal life are blurring. Microsoft’s second Work Trend Index found that beyond the typical 9am-5pm work day, Microsoft Teams chats outside of the typical workday (from 8-9 a.m. and 6-8 p.m.) have increased more than any other time during the day, between 15 percent and 23 percent. Weekend work is spiking as well – Teams chats on and Saturday and Sunday have increased over 200 percent.

To cultivate the future workplace, organizations would need to accelerate the process of developing policies enabling individuals to break away from the standard 9 to 5 hours, setting reasonable expectations around availability and relooking performance indicators.

Great Place to Work Institute, Chief Operating Officer, Alicia Tung based in China said, “As far as emotions are concerned, we’re not there yet. But it is happening. In ten years’ time, if I were to make a very broad prediction, I would say 60-40 in terms of working in the office compared to working remotely.”

Business leaders must refresh their focus on policies that enable the upkeep of robust security strategies and effective collaboration. As lockdowns continue to ease across the region, the next step will be a renewed focus on policy during this hybrid new normal of work. **SME**

# HAIRCARE FRANCHISES

2

020 is the dawn of a new decade, but the COVID-19 pandemic has shown the world how quickly disaster can strike. For close to half a year now, COVID-19 has been responsible for disrupting supply chains, devastating the global economy, shutting down businesses and causing fear and uncertainty among the global workforce. While in most countries, the pandemic crisis is slowly being resolved, most businesses and consumers are erring on the side of caution.

With the economy is in tatters, many might think that now is not the best time to buy a franchise. This is especially so due to the 'new normal' post-COVID-19 is seeing many retailers going online to capitalise on the shipping and delivery market. However, there are still some opportunities available for enterprising entrepreneurs to grasp.

Food & beverage businesses as well as delivery services saw a huge rise in demand due to the pandemic and the two sectors are able to rely on each other to meet consumer demand. However, this also means that these two industries have become oversaturated as people scramble to take advantage of the rising demand.

The key is to provide a valuable service that is in demand, but cannot be delivered through digital means. One such service is that of barbers and hairstylists. The barbers have had one of the toughest times in recent history. Due to the high physical contact required to provide their services, many were not allowed to operate during the pandemic. With nations around the world slowly easing restrictions, now is a good time to offer professional haircare to the masses who have not been able to get a haircut in months.

In this edition of SME, we will be covering several barber franchises that you can consider to meet the growing demand for professional haircare.

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JORDAN  
LOW

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## KHAL HAIR SALON

**K**hal Hair Salon is a premier Malaysian haircare franchise that seeks to attract the best creative and artistic talent within the hair service industry. Khal is passionately absorbed in the art of creating perfect hair styles and its power to transform the way we look. The salon is reputed as one of Malaysia's best and one of the most trusted place to go for hairdressing, combined with excellence in hair treatments and colouring. This quality of work is largely attributed to the salon's philosophy of training within.

For those looking to be part of the Khal franchise, a franchise fee is required. However, Khal offers plenty of support and training to franchisees. There is also a franchise package that includes a feasibility study, the hiring and training of personnel, management training, continuous training for the next five years, management training, accounting systems as well as assistance in site location.

Franchisees will also receive initial training, assistance in setting-up your salon, promotion and marketing programs as well as on-going coordination of the products and system.



## KCUTS

**K**cuts is a Singaporean fast-service professional barber franchise. It is one of the few franchises in the industry that allows for international franchises. Kcuts does not provide colouring, perming, shampooing, shaving and blowing. Rather, Kcuts provides stylish no frills hair cut service to customers and blinding fast speeds. For a reasonable price, customers can expect a stylish new Korean-style hair cut in under ten minutes.

Kcuts International is a business format franchise that offers distinctive high sanitisation and professional quick barbering concept incorporating exclusive rights for a party to operate at a specific location or territory for a period of time.

Apart from the rights to operate the Kcuts business concept, the franchise package includes use of Kcuts's distinctive identity and trademark, initial training and start-up support, on-going support and training, transfer of new ideas (e.g. improvements to business systems, skills development, R&D), supply of products, and a whole suite of marketing and PR support.

One does not need to be trained in hairdressing or have any prior experience in hair salons to join the Kcuts business. The Kcuts business system is designed to be run by professionals and management skills will be essential for success.

## BRUNO'S BARBERS

### BRUNO'S BARBERS

**B**runo's is a male-oriented full service barbershop that provides an environment where men can relax and come out feeling good about themselves. Established in 1989, Bruno's Barbers has grown to a large network of branches throughout the Philippines. With its stylish, modern interiors, and commitment to providing excellent customer service, it has become the go-to place for men's grooming in the nation.

Applicants interested in Bruno's Barbers Franchise are required to submit a letter of intent including information on the proposed site and its location map. The franchise fee itself costs around Php 550,000 (approx. US\$11.1) for a five year term. Franchisees can also expect plenty of training and startup assistance as well as help with setting up shop.

Some of the costs are shouldered by the franchisee for advertising deemed necessary by Bruno's Services Corporation during the whole term of the franchise agreement. The franchisees may opt to have additional advertising but they must seek first and gain approval of the BSC. **SME**

BY  
ONG XIANG  
HONG

# CAMBODIA: EMERGING DYNAMO OF ASEAN



**Official Name:** Kingdom of Cambodia (Preahreacheanachakr Kampuchea) **Population:** 16,926,984 (July 2020 est.) **Capital:** Phnom Penh **Major Languages:** Khmer (official), English understood by business **Currency:** Cambodian riel (KHR) **Major Industries:** tourism, garments, construction, rice milling, fishing, wood and wood products, rubber, cement, gem mining, textiles **Major Export Commodities:** clothing, timber, rubber, rice, fish, tobacco, footwear **Major Export Partners:** United States, United Kingdom, Germany, Japan, China, Canada, Spain, Belgium **Major Import Commodities:** petroleum products, cigarettes, gold, construction materials, machinery, motor vehicles, pharmaceutical products **Major Import Partners:** China, Singapore, Thailand, Vietnam **GDP:** US\$64.21 billion (2017 est.) **GDP Per Capita:** US\$4,000 (2017 est.) **Country code top-level domain:** .kh

D

espite its tortured recent history, Cambodia has regained its economic dynamism. Growing from an economy that is very dependent on raw materials and tourism, Cambodia is now engaged towards industry and export.

Most Cambodians consider themselves to be Khmers, descendants of the Angkor Empire that extended over much of Southeast Asia and reached its zenith between the 10th and 13th centuries. After the decline of the empire, the country was colonised by the French and Japanese, with full independence gained in 1953.

A vicious civil war and American bombing during the Vietnam War severely curtailed development. But over the past decade, Cambodia has seen strong economic growth. GDP has grown at an average annual rate of over 8 percent between 2000 and 2010 and about 7 percent since 2011.

The tourism, garment, construction and real estate, and agriculture sectors accounts for the bulk of growth. Around 700,000 people, the majority of whom are women, are employed

in the garment and footwear sector. An additional 500,000 Cambodians are employed in the tourism sector, and a further 200,000 people in construction. Tourism has continued to grow rapidly with foreign arrivals exceeding 2 million per year in 2007 and reaching 5.6 million visitors in 2017. Mining also is attracting some investor interest and the government has touted opportunities for mining bauxite, gold, iron and gems.

The World Bank concluded in a 2013 report that Cambodian economic growth has ranked among the fastest in the world, reducing poverty rates and proportionally boosting household income and consumption. The report stated, "The poverty rate dropped from 52.2 to 20.5 percent, surpassing all expectations and far exceeding the country's Millennium Development Goals (MDGs) poverty target."

In the long term, Cambodia's economy still faces challenges. Inhibited by limited human resources, high income inequality, and poor job prospects, large parts of the population still lack education, particularly in the countryside. Infrastructure is also a problem, but foreign investment into the country may alleviate this



issue over the next few years.

In particular, China has invested US\$7.9 billion in Cambodia from 2016 to 2019 as part of its Belt and Road initiative. This includes the Phnom Penh-Sihanoukville expressway, a new international airport in Siem Reap, and a number of Special Economic Zones. Chinese investment has also been concentrated in other areas, such as hydropower, garment factories, real estate, and banking.

### **ADVANTAGES AND OPPORTUNITIES**

Cambodia has several advantages over its neighbours, such as a young population, rising living standards, and a relatively blank slate when it comes to infrastructure. The country reached lower middle-income status in 2015 and aspires to attain upper middle-income status by 2030.

Although the COVID-19 pandemic has hit Cambodia's economy hard, the country itself has controlled the spread of the virus very well. As of 8 July, there are only 10 active patients and no deaths reported.

In terms of ASEAN, Cambodia's membership has brought about a considerable increase in foreign direct investment from both ASEAN member countries and its dialogue partners such as Japan, China, South Korea, Australia and

the United States.

The FDI from other ASEAN member countries into Cambodia was modest in 2000, but the figure continuously increased to US\$129.2 million in 2005, US\$523 million in 2012 and US\$603 million in 2017. For comparison, Japan's FDI rose from US\$224,998 in 2000 to US\$24.5 million in 2013, US\$38.8 million in 2015, and US\$1.6 billion in 2017. China's FDI increased from US\$28.4 million in 2000 to US\$682 million in 2014, and US\$6.2 billion in 2017.

The investment from South Korea increased from US\$19.3 million in 2000 to US\$65 million in 2014 and US\$1.6 billion in 2017. Australia's investment increased from US\$2 million in 2000 to US\$18 million in 2014, and US\$304 million in 2017.

Over the longer term, Cambodia's cost advantage may see it become another manufacturing hub in Southeast Asia. Rising costs in China are making firms look at Cambodia, while floods and political instability in Thailand and investment saturation in Vietnam are also pushing companies that want to mitigate their risks into Cambodia. **SME**





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BY  
LIU  
SHANGHI

# HOW DIGITAL COUPONS HELP FUEL THE ECONOMIC RECOVERY POST COVID-19

A

As the pandemic stabilizes in Asia, countries are slowly emerging from lockdowns and

gradually easing social distancing measures to allow hard-hit businesses to restart operations. While societies are adapting to the new normal, there is an urgent challenge that governments face – how to quickly revive their economies and help small businesses in particular, to protect jobs and livelihoods.

In Malaysia, the government recently announced a RM35 billion short-term Economic Recovery Plan (ERP) to empower the people, propel businesses and stimulate the economy. The ERP – also known as PENJANA – is the fourth of six economic recovery phases outlined by the country under the 6Rs approach (Resolve, Resilience, Restart, Recovery, Revitalise and Reform), to address the pandemic and recover from the socio-economic shortfall.

## ROAD TO ECONOMIC RECOVERY

As one of the first countries to lift restrictions and restart its economy, the experience in China offers some food for thought on how the power of digital technology can be harnessed to aid recovery, especially for the hard-hit SMEs that lack the resources to overcome the pandemic impact on their own.

In March after lockdowns first ended in China, the average daily revenue among businesses in the retail, F&B and leisure and entertainment



sectors was less than half of what they were making before the pandemic. Weak market demand is the biggest culprit, as consumers were reluctant to go out and participate in social activities. Moreover, the projected “revenge spending” did not happen, at least at the scale anticipated.

In Malaysia, the impact is even more pronounced as family entertainment centres including cinema and theme parks remained closed since the movement control order (MCO) began in March. Only in recent weeks did the National Security Council give green lights for these operators to resume their business from July onwards.

Unlike other economic crises in the past, the immediate economic impact of COVID-19 has concentrated on employment and consumer spending, which has a direct effect on the survival of SMEs, the backbone of local economies. Therefore, driving consumer spending is vital in recovering and stimulating the economy. Only when consumer spending increases can small and micro businesses sustain their operations and protect jobs.

## DIGITAL COUPON SHINES NEW LIGHT FOR BUSINESSES

Over the last few months, governments and private sectors in China have adopted digital coupons as ways to

for businesses. During the five-day-long Labor Day holiday in May, digital coupons distributed through Alipay generated a total of nearly RMB5 billion (US\$710 million) in retail revenue countrywide.

Bailian Group, an established department store chain in Shanghai for example distributed 80,000 digital coupons via Alipay during the Labor Day holiday which effectively led to more than RMB20 million (RM12.19 million) in sales revenue and brought over 20,000 new shoppers to the stores during the holiday. Riding on the success, Bailian Group has since distributed another batch of over nine million digital coupons, totaling nearly RMB500 million (RM304.77 million) via Alipay - the largest coupon distribution by a single retail company in Shanghai.

The research also found that the effectiveness of digital coupons was particularly pronounced among SMEs. For every RMB 1 (RM0.60) in digital coupon, small businesses have seen RMB 2.97 (RM1.81) in revenue on average, while the figure is RMB 2.79 (RM1.70) and RMB 2.40 (RM1.46) for medium and large businesses respectively.

Traditional eatery chain Liao's Bon-Bon Chicken for instance, recorded their largest sales growth in Wuhan thanks to the digital coupons distributed to the residents in May, meant to boost consumer spending in the city. Likewise, in just the first week of digital coupon distribution, Liao's outlets in Chengdu recorded a 50 percent increase in total sales and their transaction value via Alipay gone up by 128 percent. Today, Liao's has begun offering its digital vouchers via Alipay, allowing customers to enjoy up to 50 percent off their total bill.

As a result from digital coupon usage, significant transaction growth has been observed in the three sectors - F&B, beauty and grooming services, and leisure and entertainment, which have recorded a growth rate of 207 percent, 164 percent, and 228 percent respectively, with leisure and entertainment showing the greatest increase in total transaction value.

### EFFECTIVE FOR SMEs

80 percent of the small business owners surveyed agreed that digital coupons have had a positive impact on bringing back shoppers and helping to increase their revenue. We believe that

there are three key reasons why digital coupons are effective for SMEs.

- 01.** The prevalence of mobile payment in China allows for almost everyone to obtain digital coupons, and to spend everywhere from street vendors, retail shops to service providers. The entry barrier for SMEs, which are usually lacking in technology and marketing capabilities, is low.
- 02.** The digital coupons are designed in small value, with low spending threshold and simple terms and conditions. This makes it easy for consumers to participate. Furthermore, with a mechanism designed to precisely target and distribute coupons for certain sectors, governments and industries could leverage digital coupons to effectively assist industries and businesses in need.
- 03.** Payment platforms such as Alipay are equipped with robust risk management capabilities, which can prevent abuse of digital coupons and therefore strengthen business confidence to participate.

Ultimately, the value of digital coupons is not limited to short-term recovery as it can also bring traction and create a cluster effect to the economy in the medium and long term. While the immediate effect is to encourage consumers to go out and spend, in the medium term, multiple rounds of digital coupon distribution could reshape consumers' spending habit and behaviour.

Digital coupons also allow for industry collaboration. Businesses across different sectors in the same region could consider issuing coupons that can be redeemed in different shops and different sectors, to create more scenarios where consumers can use the coupons for.

In due time, we believe digital coupons will also be the way forward for other Asian countries, including Malaysia, to help SMEs create new value that could boost customer spending during this economic recovery period. **SME**

BY  
FRIEDHELM  
BEST

# 4 CRITICAL SAFETY QUESTIONS FOR POST-COVID-19 SUCCESS IN SMART AND SAFE AUTOMATION



ow that the world is slowly re-opening industries to enable the recovery of badly hit

economies and save jobs, the key question remains on how best to move forward in automating as much as possible, while retaining jobs, and keeping facilities and employees safe?

## SAFETY AND AUTOMATION GO TOGETHER

Industrial plants, including those of major hazards installations such as petrochemical, chemical and nuclear power plants, are increasingly automated, with human operators at the helm of controls and oversight, while maintaining a high level of safety and cybersecurity, especially in the highly connected world.

There is now an increasing need for large and smaller plants alike, to automate while catering to safety regimes to protect human lives. The Singapore Safety Regime is one such example of a national recommendation for safety case deployment.

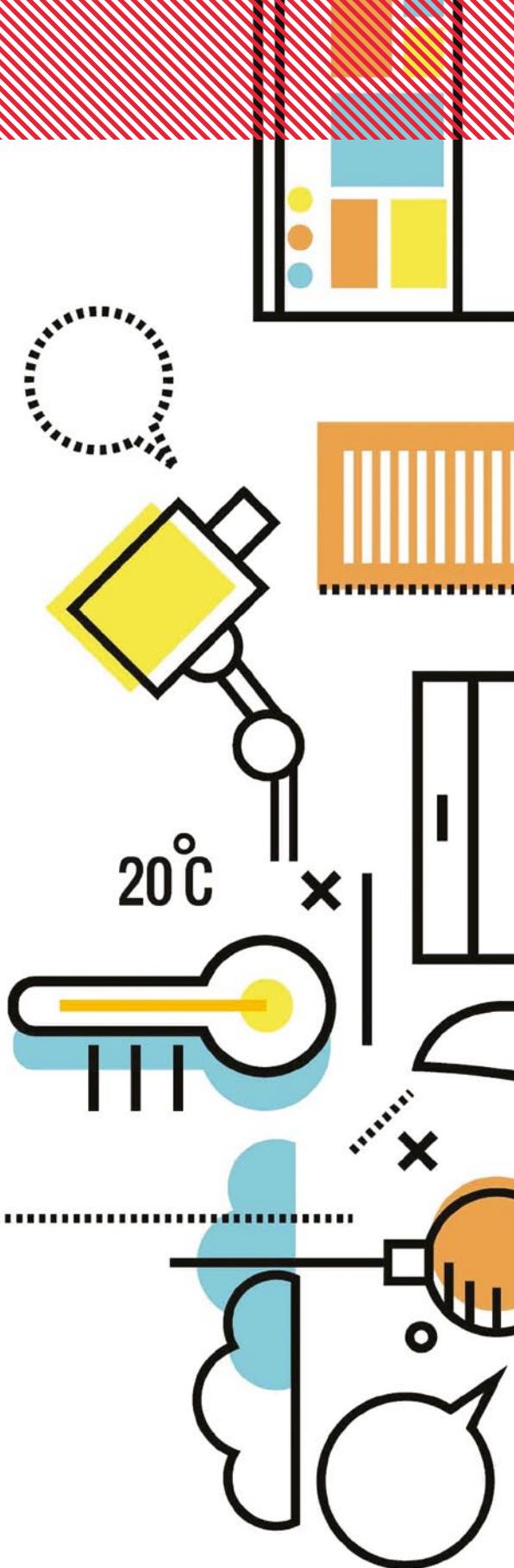
As the COVID-19 crisis exacerbated the need for remote working, especially in highly populated city states like Singapore, or other dense metropolitan areas. It is imperative to plan for regulatory compliance or meeting best practices in industrial safety and cybersecurity, while also catering for efficiency and profitability.

## FUTURE-PROOFING IS THE KEY

In a typical lifecycle of a factory or plant, it is envisaged that it should last at least 30 years or even up to 50 years or longer.

But, all things do deteriorate over time, at different rates. Safety controllers, used for emergency shutdowns and other safety-related functions, can be critical to a safe factory and plant operation, and need to be especially monitored for aging. For plants that have implemented automated safety controllers containing electronic components (known as safety instrumented systems or SIS), the maximum lifespan for such electronic devices may be up to 20 or so years, which means that in the safety lifecycle of a plant, there will be times when such SIS will need to be updated, changed or modernized for newer versions.

Let us not forget that there are also times when compliance, standards and technologies change and obsolete components need to be replaced. Nothing is meant to last forever. With the increasing frequency and complexity of cybersecurity attacks on plants and infrastructures, the need for hardware components and scalable and remote-capable software to provide for a current and future-proof cybersecurity defense shield around the plants is paramount.





## 4 KEY QUESTIONS TO ASK ABOUT LIMITATIONS IN YOUR SAFETY LIFECYCLE

To reduce risks, and to protect your plant's safety systems from obsolescence, there are some tough questions to ask.

**01. STANDARDS.** Does your safety and cybersecurity system comply with the current industry standards such as IEC 61508 (foundation), IEC 61511 (functional safety) and IEC 62443 (IT security)? Are you carrying out periodical safety assessments on your systems? Do you update your safety requirements according to your operational experience?

**02. DOCUMENTATION.** Do you have a management of change procedure available? Is your documentation updated accordingly and as required? When we talk about updates, are there any changes or innovations to the product or to the devices that you are using to improve operational continuity, safety and security, such as alerts, vulnerabilities, or available updates?

**03. EXPERTISE.** Do your people have the expertise to react and mitigate failures, manage and maintain installations?

**04. COMPONENTS.** Do your people keep track of the availability of spare parts and components for contingencies and ensure they are still viable? For example, electrolytic capacitors or relays that go through regular wear-and-tear may need to be monitored for viability, and refurbished or exchanged before they malfunction. Are your people able to find technology partners who can deliver spare parts for at least 10 years to protect your installations from emergencies?

If you can answer "Yes" to these questions, you are already equipped with the foundation to detect and react to automation and safety factors as you re-open your factory or plant. If not, this COVID-19 period may just be the window you need to plan for your next leap of automation and safety implementation. SME

FRIEDHELM BEST IS VICE PRESIDENT  
ASIA PACIFIC AT HIMA.



**Sue Barrett** is a sales expert, writer, business speaker and adviser, facilitator, sales coach, training provider and entrepreneur. Sue founded Barrett in 1995 to positively transform the culture, capability and continuous learning of leaders, teams and businesses by developing sales driven organisations that are equipped for the 21st Century.



## WHAT ARE WE SELLING NOW IN A POST-CONSUMERISM WORLD?

What are we selling now?

**C**onsumerism has been the main driver of economic growth and business performance, lifting people out of poverty since the late 1940s which saw many millions of people get access to amazing innovations in products and services that make their lives much more comfortable and enjoyable and gave people access to an abundance of jobs. We've seen this wave of consumerism move from the developed world in the mid to late 20th century to the developing world at the beginning of the 21st century. Just look at the spread of consumerism in China and how it has transformed that country over the last 20 years. There has been, and is, huge money to be made in a consumerist world.

But things are changing rapidly on many levels.

### HAVE WE REACHED PEAK CONSUMERISM?

Probably not yet as more developing nations move towards middle class aspirations.

How about in developed nations?

The Maintainers Co-Directors Andy Russell, Jessica Meyerson and Lee Vinsel point out that, "We have built a culture where buying things is increasingly unrelated to using things. And we have built a culture where things are thrown away not because they are broken, but because they send the wrong

signal about who we are. We use material things for primarily symbolic reasons, which means we throw them out not when they are broken, but when we need to send a new signal. In turn we have built the most materially wealthy communities the world has ever known, but despite this abundance of stuff, our culture makes people feel that they never have enough, or the right, stuff. Our culture is suffering from a bad case of affluenza."

It seems in developed nations we've hit hyper-consumerism which refers to the consumption of goods for non-functional purposes and the associated significant pressure to consume those goods exerted by the modern, capitalist society, as those goods shape one's identity. Simply put, it's morphed into 'Look at me' Instagram selfies which comes at a huge cost – for both environment wellbeing and human wellbeing.

**SO, WHAT ARE WE SELLING NOW?** It really takes some thinking to even get our collective heads around the tsunami of changes coming our way. The positives and the negatives. It then takes courage and determination to enact those changes.

Besides dealing with the angst and potential guilt associated with what we are selling now, when all sorts of people in power say we must stop consuming so much, or we must cut back or go without and so on, doesn't help anyone trying to make a positive change.

The challenge with this austerity approach is that those people who usually have to make the sacrifices are those who don't have much to begin with – they are always being asked to take the hit while the wealthy can sail on unscathed.

So we see the trend where many people don't like to miss out or be disadvantaged so they put off to another day what they should do now, even if it will cost us all more in the long term, because they are sick of going without.

They don't want to be the ones who are being disadvantaged all the time. The time is NOW – we must act.

We need to look at these challenges and see opportunities. We have all the thinking, systems, resources and capabilities to solve these problems and put in place better ways of operating and living.

**THE REAL ISSUE WE ARE FACING IS WASTE** Consumerism, especially hyper-consumerism is extremely wasteful.

Humans can be very wasteful until they are shown better ways to operate. Just think of the Ozone layer and EPA, or the Keep Australia Beautiful campaign as some of the many examples where we can make positive changes.

While we often get fixated on what's happening in Silicon Valley and the next unicorn business, there are plenty of people who are creating business opportunities that will be part of the next way of industry.

When humans are shown how to do things better for themselves and their fellow citizens, and they can see how they can act locally and make a positive difference, they act accordingly.

Opportunities abound. The key business opportunities that account for a reduction of 50 percent of CO2 emissions are around several areas, including:

- ◆ Refrigeration ◆ Onshore wind turbines ◆ Reduce food waste
- ◆ Eat a plant rich diet ◆ Preserve and restore tropical rainforests
- ◆ Educate girls ◆ Family planning ◆ Solar farms

### THE RIGHT TO REPAIR, MAINTAINERS AND AFTERMARKET ECONOMY

'The Right to Repair' is gaining momentum across industries and

countries for a number of reasons with the obvious one being the possibility to continue using devices or machines you have purchased instead throwing them away.

You may be familiar with the growing trend of local repair cafes popping up in local communities where people can take their appliances, tools, machines, clothing, arts and crafts, etc. to these cafes and work with experienced technicians, tailors, artists, and so on who can help and teach people to repair their possessions. There are popular TV programs in this genre as well.

The second main reason this trend is important is that 'repair' is the lifeblood of local economies providing local jobs that help communities prosper. Repairers make products last longer, save owners money and create local jobs.

### THE EXPERIENCE ECONOMY

This is a sector that has been growing over the last two decades, in-hand with 'giving experiences not stuff'. This has now been taken to a whole new level with even making those experiences sustainable, carbon neutral, and/or zero waste.

### THE SERVICES & VIRTUAL ECONOMY

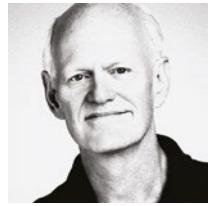
Online education and the use of video conference platforms such as Zoom have provided a cost-efficient and environmentally sustainable way of delivering training.

Smart organisations are getting ahead of the curve and really thinking about how and what we sell in a post consumerist world. Especially when faced with such monumental crises.

### CONCLUSION

We all have choice. Discerning buyers are making decisions on why they are buying in the first place, then if they choose to buy it's now important what they buy and from whom and all the implications that go with that.

Businesses and their sales and service teams need to be better equipped to help their buyers make better decisions about products and services that will maximise their return (on use), last longer and can get back into the manufacturing line with less impact on the environment. Remember, everybody lives by selling something. **SME**



**Dr. Marshall Goldsmith**  
was selected as one of the 10 most Influential Management Thinkers in the World by Thinkers50 in both 2011 and 2013. Marshall's exciting new research on engagement will be published in his upcoming book - 'Triggers'

**T**he higher up you go in your organization, the more you need to make other people winners and not make your job about winning yourself. This is a hard concept for people who like to win to grasp. The more successful you become, the more helping others win is how you win!

For those in leadership positions, this means closely monitoring how you hand out encouragement and how you "help" others improve. If you find yourself saying, "That is great..." and then dropping the other shoe with a tempering, "BUT" stop yourself before you speak. Take a breath and ask yourself if what you're about to say is worth it. In most cases it isn't. If you really want to succeed and encourage others to do the same, try stopping at "great!"

This is a challenge even for those who have acknowledged they do this and think they are past it. Let me share a little story with you. A few years ago, I taught a class at a telecom headquarters. One of the men in my class mocked me when I mentioned this problem that so many of us have with "That is great, BUT..." He thought it was easy not to use the words. He was so sure of himself that he offered \$100 for each time he used these words. I made a point of sitting with him during our lunch break. I asked him where he was from, and he replied Singapore.

"Singapore?" I said. "That's a great city!"

"Yea," he replied, "it's great, but..."

He caught himself immediately, and reached into his pocket for cash, saying, "I just lost \$100, didn't I?"

That's how pervasive this urge to win can be. It creeps into our conversations even when the discussion is trivial, even when we should be hyperaware of our word choices, and even when it might cost us \$100.

That was a description of the lighter version of those possessing this bad habit. Those who have the more serious version are even more harmful and discouraging. We all know negative people. My wife calls them "negatrons".

These are people who are incapable of saying something positive or complimentary to any of your suggestions. Negativity is their default response. You could walk into their office with the cure for cancer and the first words out of their mouth would be, "Let me explain why that won't work."

This is the telltale phrase of negativity. It's emblematic of a need to share negative thoughts, even when they haven't been solicited. "Let me explain why that won't work," is different from adding value—because no value is added. It's the big, bad brother of "That is great, BUT..." because rather than hiding our negativity under the mask of agreement, it is pure unadulterated negativity under the guise of being helpful.

As with "That is great, BUT..." we employ "Let me explain why that won't work" to establish that our expertise or authority is superior to someone else's. It doesn't mean that what we say is correct or useful. It's simply a way of inserting ourselves into a situation as chief arbiter or senior critic.

If you think one or both of these phrases might be your mode of negative operandi, I'd advise you to monitor your statements the moment someone offers you a helpful suggestion. Paying attention to what you say in response to their ideas is a great indicator of how you come across to people. If you find yourself frequently saying, "That is great, BUT..." you know you need to take a breath, pay attention, and stop yourself at "great"! SME

# "THAT IS GREAT, BUT..."





**Brad Feld** has been an early stage investor and entrepreneur for over 20 years. Prior to co-founding Foundry Group, he co-founded Mobius Venture Capital, and prior to that, founded Intensity Ventures, a company "that helped launch and operate software companies. He is also the co-founder of TechStars.

## PREDICTIONS, PROGNOSTICATIONS, AND THE FUTURE

I have never liked being asked to predict things. I try not to prognosticate, especially around things I'm not deeply involved in.

At this moment, people everywhere make continuous predictions and endless prognostications. At some level, that's not new, as the regular end of year media rhythm for as long as I can remember is a stream of famous people being asked their predictions for the next year. There are entire domains, such as economics, that are all about predictions. Near term predictions drive the stock market (e.g., future quarterly performance, what the Federal Reserve is going to do in the future.)

As humans, we want to control our present, and one way to do that is to predict the future.

I think the COVID-19 crisis has turned that upside down. As I was reading *How Pandemics Wreak Havoc - And Open Minds* last night, a few paragraphs at the end hit home.

The first comment is from Gianna Pomata, a retired professor at the Institute of the History of Medicine, at Johns Hopkins University who is now living in Bologna.

*Pomata was shocked by the direction that the pandemic was taking in the United States. She understood the reasons for the mass protests and political rallies, but, as a medical historian, she was*



*uncomfortably reminded of the religious processions that had spread the plague in medieval Europe. And, as someone who had obediently remained indoors for months, she was affronted by the refusal of so many Americans to wear masks at the grocery store and maintain social distancing. In an e-mail, she condemned those who blithely ignored scientific advice, writing, "What I see right now in the United States is that the pandemic has not led to new creative thinking but, on the contrary, has strengthened all the worst, most stereotypical, and irrational ways of thinking. I'm very sorry for the state of your country, which seems to be in the grip of a horrible attack of unreason." She continued, "I'm sorry because I love it, and have received so much from it."*

It's followed by a comment by Lawrence Wright, a staff writer at The New Yorker since 1992 and author of the incredible and timely book *The End of October*.

*I understood her gloomy assessment, but also felt that America could be on the verge of much needed change. Like wars and depressions, a pandemic offers an X-ray of society, allowing us to see all the broken places. It was possible that Americans would do nothing about the fissures exposed by the pandemic: the racial inequities, the poisonous partisanship, the governmental incompetence, the disrespect for science, the loss of standing among nations, the fraying of community bonds. Then again, when people confront their failures, they have the opportunity to mend them.*

These paragraphs reflect the reality that I'm observing in the US right now. However, you can see Wright's human optimism creep in as he "[feels] that America could be on the verge of much needed change." While not a prediction (thankfully), it raised the question at the end of the paragraph, which is:

*[W]hen people confront their failures, they have the opportunity to mend them.*

But how?

As I worked on *The Startup Community Way* and got my mind into how complex systems work, I concluded that change has to come from the bottom up, not the top down. While in the book, we apply it to startup communities, I've internalized it across any complex system.

We are living in the collision of a series of complex systems that are beyond anything I've experienced in my 54 years on earth. It's happening against the backdrop of instantaneous global communication, which allows anyone to distribute and amplify any sort of information.

In a crisis, anger and fear generate irrational behaviour, especially given the need to control things. History has taught us this, but all you need to do is watch the bad guys in popular movies implode to be reminded of it.

Consequently, predicting the future is not just impossible; it's more irrelevant than ever. Fantasizing about what the future will look like, while comforting, is pointless. And anchoring hopes around the future (e.g. "schools will open up in the fall") simply generates even more anger and fear if it doesn't come true.

For many years, I've tried to avoid predicting the future or prognosticating about it. My answer, when asked, is often some version of "I don't know, and I don't care."

I think this crisis has shut that off entirely for me, as I'm shifting all of my energy to the present. I'm focusing on doing things today that I believe in, want to do, and that I think has the potential to impact positive change. But I know I can't predict the outcome of any of it. **SME**

**H**ere, in Part I, we'll take a look at the steps you can take to make it easier for your employees to provide great service to your customers or clients.

In Part II, I'll explain what you can do to keep your employees motivated and inspired to deliver great service.

We love receiving great customer service. That's no surprise. But did you know that great service can actually elicit a physical reaction? A recent American Express Service Study found that 63 percent of its 1,620 respondents said they felt an increased heart rate when they just thought about great service. And for 53 percent of those studied, great service caused them to have the same cerebral response that results from feeling loved. The trick, of course, is developing a customer service team that has the skills to provide such an overwhelming reaction amongst your customers.

The truth is, in many of today's industries and many of the world's biggest companies, service can be downright disappointing. We spend hours on hold when we just need an answer to a simple question. Store clerks seem angry with us when we tell them a mistake was made. The list could go on and on.

If you want to combat this at your business, you have to make providing great service a point of pride for your employees. Service is taking action to create value for someone else—and when understanding becomes the driving force for your staff and your organization, everyone can win.

Read on for five tips on how you can strengthen your team by making it easier for them to provide great service:

#### **ERADICATE CUMBERSOME POLICIES AND PROCEDURES.**

One time I was dining at a luxury resort in California. The waiter explained that there was a special menu that night, spotlighting several of the chef's signature dishes. But my guests were vegetarians and had nothing to choose from on the menu, and I had been craving a particular salmon salad. So we asked to order from the regular menu. Obviously uncomfortable, the waiter whispered, "If you go back to your room and order room service, then you can order the salmon salad or

anything else on the [room service] menu, but I can't serve you those choices here tonight."

In trying to spotlight the chef's menu, the restaurant had created a major roadblock—the waiter wasn't given permission to serve! Like this waiter, most frontline staff members are taught to follow policies and procedures and are hesitant to "break the rules." Yet some rules should be broken, changed, or at least seriously bent from time to time.

#### **TEACH THEM TO SOLICIT CUSTOMER FEEDBACK AT VARIOUS POINTS OF CONTACT.**

Asking, "Is there anything we can do better for you the next time?" accomplishes two important objectives. First, you gather valuable ideas. Second, you get the customer thinking about doing repeat business...the next time.

Even if a customer doesn't have a recommendation, trust that they'll be glad your employee cared enough to ask. When an employee engages a customer in this way, it's yet another way to say, "We value you. We want to provide you with the best possible service and we would be delighted to serve you again."

#### **WHEN SERVICE DROPS, HELP THEM FIND WAYS TO UP THEIR SERVICE.**

At Deer Valley Ski Resort in Utah, the staff helps its patrons find items they've accidentally dropped from the ski lift and then gives them a coupon for a free hot chocolate. At a new Italian restaurant, the ovens broke down on opening night, so the restaurant served an elegant buffet of cold dishes and plenty of wine...all free!

Many years ago, I had a bad experience on an international airline. I wrote in to complain. They sent me back a very nice letter with an unexpected \$100 voucher attached. Years later, I am still a frequent flyer.

These are great examples of businesses going the extra mile for their customers, and it's important that you help your employees develop this kind of thinking. In your next staff meeting, review a few customer service recovery interactions, even those that went well. Then, have your staff brainstorm ways the recovery could have been improved.

#### **TRAIN THEM TO TELL CUSTOMERS WHAT THEY WILL DO.**

Of course, the first step when a mistake has been made, or even just when a customer perceives that a mistake was made, is to apologize. Once you've apologized, provide any useful information you can about what will happen next. Ask them if they have any questions and answer them to the best of your ability. If you don't have an answer, let them know what steps you're going to take to find it.

#### **AND FINALLY, SHOW YOU ARE SINCERE ABOUT YOUR COMMITMENT TO DO WELL IN THE AREAS THE CUSTOMER VALUES.**

At the very least, you can say, "I'm going to make sure everyone in the company hears your story. We don't want this to happen again." When you express the company's desire to improve, you start on the path to rebuilding its credibility with the customer.

Emphasize service with new hires. Unfortunately, many company orientation programs are far from uplifting. There are usually basic introductions and inductions, but they don't connect new employees to the company or the service culture in a welcoming and motivating way.

LUX Maldives structures its orientation program around service.



**Ron Kaufman** is the world's leading educator and motivator for upgrading customer service and uplifting service culture. He is author of the bestselling "UP! Your Service" books and founder of UP! Your Service.

## **MAKE 'EM SAY WOW: TIPS FOR BUILDING A STRONG SERVICE TEAM**

### **— PART ONE**

They don't waste time boring new hires with policies and procedures. Instead, 60 percent of new hire orientation is about service and providing a quality guest experience. And orientation is just the beginning of a LUX employee's service education. In 2014-2015, LUX provided an average of 75 service training hours to its employees. And of course, as employee training has improved, so have guest satisfaction scores. LUX Resorts & Hotels has a Market Matrix Guest Satisfaction Percentage group average of 90.9 percent.

Developing service-minded, service-driven employees will be worth every ounce of energy you put into it. When you take steps to build a strong service team, everyone is fully engaged, encouraging each other, improving the customer experience, and making the company more successful. **SME**





Gary is a Belarusian entrepreneur, author, speaker and internet personality. First known as a wine critic who grew his family's wine business from US\$3 million to US\$60 million, Vaynerchuk is best known for his work in digital marketing and social media, leading New York-based companies VaynerMedia and VaynerL.

## WHAT BRANDS NEED TO KNOW ABOUT ESPORTS

**A**s we navigate this new landscape of work and business post-corona, esports is one of the many industries that's being heavily impacted.

In my opinion, this is going to be a watershed moment for esports.

Usage data on social platforms is exploding across the board – same for platforms like YouTube and Twitch. On top of that, a lot of parents are getting educated on esports during this time. As they're sitting at home, some of them are paying attention to their 19-year-old's favourite hobby, and some are even getting involved because they're just getting tired. You can only watch so many movies online. You can only work so much. You can only watch the news so much.

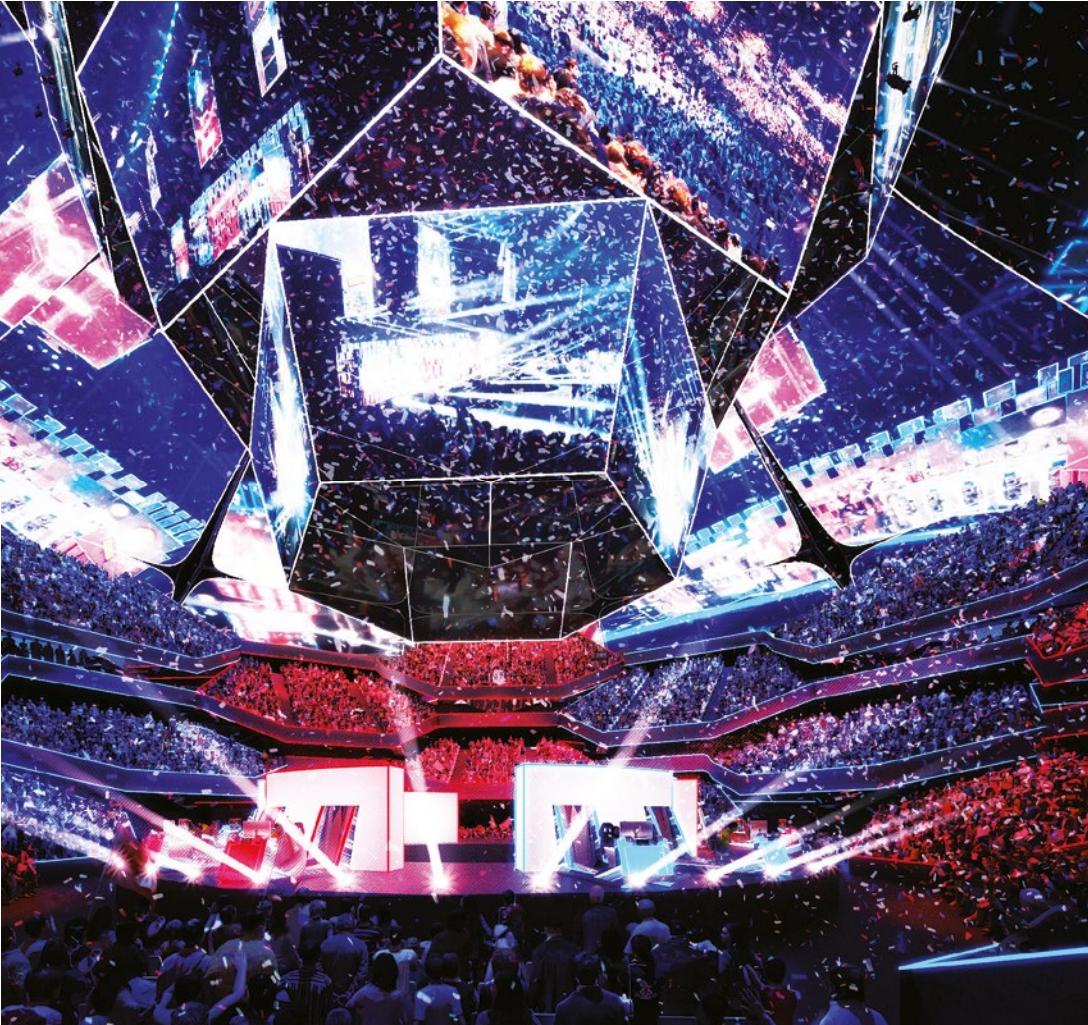
As usage numbers grow, more and more brands are considering the option of getting involved in the world of esports and what that would take.

Here are a few things to keep in mind:

### AUTHENTICITY IS REQUIRED

When entering esports, brands need to have a strategy with Gen Z in mind. They need to understand that authenticity is required to even have a prayer. You try to come in with that corporate bullshit, you're dead.

That means being honest, and not trying to be something you're



not because people will see through that right away. Stay in your lane, and think about how you want to communicate to the people you're trying to reach. Respect the community that you're trying to be a part of, and figure out how to bring actual value to the community on their terms, not yours.

### UNDERSTAND THE LANDSCAPE BEFORE JUMPING IN

Before getting involved, take some time to understand the landscape and the players involved. Understanding the difference between the platforms, mixers, YouTubers, the Twitch streamers, and others. Understand the difference between leagues – Call of Duty, Overwatch, the teams, and individual players.

It's important to understand these pieces as you go through the process of putting together a macro strategy.

For example, are you going to play with NFL stars? NBA? Which players will you align yourself with? That's a huge part of thinking about what your strategy will be.

In the macro, I believe that all leagues and teams are in a great position to win in the long term. In the micro, it's about the economics. Currently, football is in a better position because they haven't gotten to the point of losing their season. However, the NBA has such an amazing commissioner that he may innovate on a new format for games and tournaments that we all become captivated with. This is the time for innovation, and Adam Silver has proven to be a huge innovator, so I'm excited to see what happens on that front.

### IDENTIFY UNDERPRICED ATTENTION

The last thing is to identify where the underpriced attention is.

There are different channels you can leverage as you enter a new space build awareness around your brand. You've got to look at where

attention sits, and the landscape of opportunities on those channels.

When you think about the biggest social platforms today – Instagram, TikTok, YouTube, etc – there are a lot of different pages and players that own the attention on those platforms. There are meme pages, blogs, vlogs, Instagram accounts, and more. For example, a superstar amateur player with 57,000 followers might be thrilled to get a \$500 brand deal sponsorship. You could also consider content producers that produce vlogs or shows in the space.

I genuinely believe that too many people are wildly underestimating where esports is going and how big it's really going to be. We're already seeing explosive growth happen.

I want to remind everybody who's reading this that football and basketball were amateur sports before they became professional sports too. **SME**

**H**

## How Much Has Video Impacted the Way We Sell?

Back in the old days, when you wanted to copy something, you would have said, "I'm going to Xerox this." And for years when you needed a tissue you would have asked for a Kleenex. And when you wanted to clean your ears you would have asked for a Q-Tip. All three of these are examples where the brand and the product were one in the same. We're getting to that same point with Zoom video, where more than half of all salespeople are now using Zoom!

Video is becoming such an important part of selling, especially during the shutdowns and quarantines, that Objective Management Group (OMG) is creating a new selling competency called Video Proficient. As part of the development process to identify the attributes for this competency, we test various questions in advance and examine the distribution of answers to make sure that they are within the norms we need to have. We also ask more questions than we will actually use. In the past week, nearly 2,000 salespeople answered 10 potential questions and I thought it would be useful to share some of the data we have already collected.

In March, most salespeople were very uncomfortable conducting their business over video. Look at this article I wrote about video as recently as November! Yet today, just three months later, 49 percent of salespeople prefer video to a phone call and another 28 percent don't have a preference. That's quite a change!

So how do salespeople feel about video?

HOW SALESPeOPLE FEEL ABOUT VIDEO	PERCENT
<b>HATE VIDEO</b>	03%
<b>WASTE OF TIME</b>	02%
<b>UNCOMFORTABLE</b>	05%
<b>SAVES TIME</b>	54%
<b>LOVE VIDEO/HELPS ME SUCCEED</b>	37%

As you can see, 91 percent of salespeople now have positive feelings about using video for selling!

Are they Zooming?

WHICH VIDEO PLATFORM THEY USE	
<b>ZOOM</b>	56%
<b>CISCO/WebEx</b>	23%
<b>GoToMeeting</b>	31%
<b>SKYPE</b>	38%
<b>GOOGLE MEET</b>	18%
<b>MICROSOFT TEAMS</b>	34%
<b>FACETIME</b>	26%

Actually, they are, with 56 percent of salespeople using Zoom. I was surprised to see 38 percent still using Skype and 26 percent still using Facetime. I predict that before the summer is over, most salespeople will have moved from those two platforms.

How serious are salespeople about their video and what kinds



**Dave Kurlan** is a best-selling author, top-rated speaker and thought leader on sales development. He is the founder and CEO of Objective Management Group, Inc., the industry leader in sales assessments and sales force evaluations, and the CEO of David Kurlan & Associates, Inc., a consulting firm specializing in sales force development.

of accessories have they added to make their video more professional? Nearly 40 percent are using virtual backgrounds and almost 20 percent have added external microphones, HD cameras, green screens and/or studio lighting.

How proficient are salespeople becoming with video? They're doing better than I expected. More than half consider themselves to be intermediate users, while almost 30 percent believe they have mastered their video platforms!

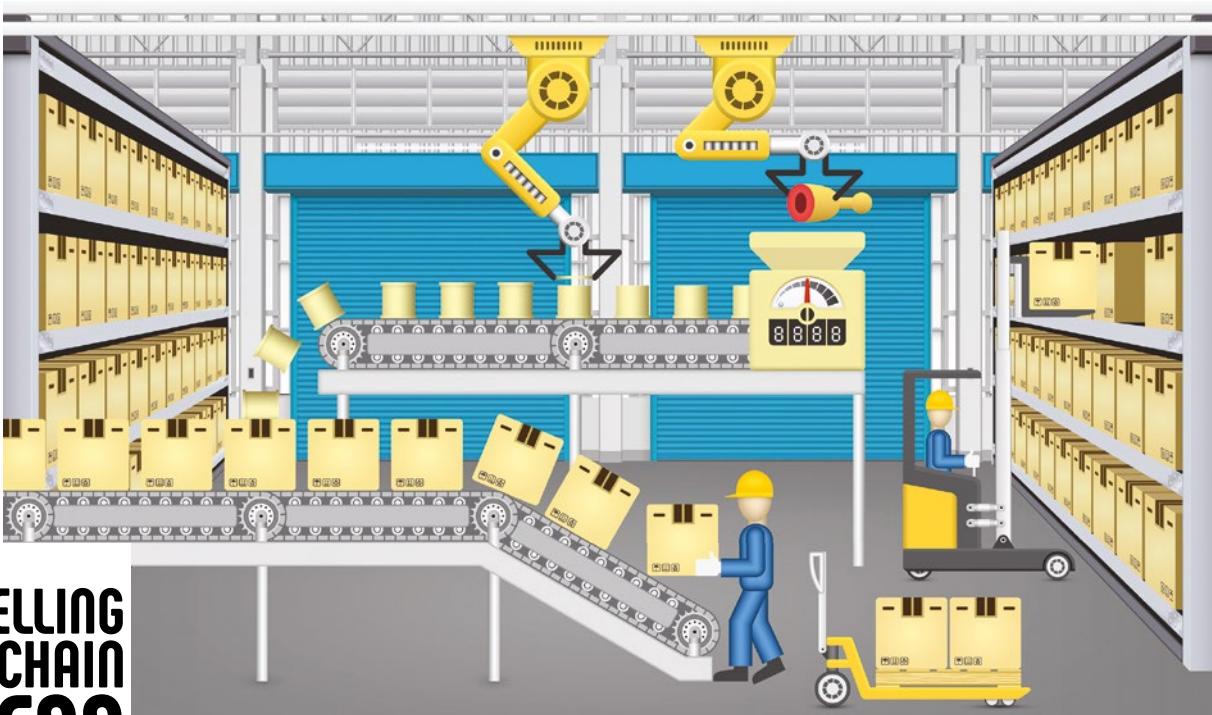
Video is here to stay and not just because so many of us will continue to work remotely. It's here to stay because it's a far more effective tool than the phone and almost as good as being there! **SME**

## HOW MUCH HAS VIDEO IMPACTED THE WAY WE SELL?





**Roy Strauss**, president of The Strauss Consulting Group, LLC [www.scg4u.com](http://www.scg4u.com) has been helping companies increase their profitability and competitive edge by improving customer service while reducing costs since 1983. SCG has expertise in all aspects of supply chain including space/layout, software, automation, equipment, staffing as well as the complete design and implementation of distribution and manufacturing centers.



## KEYS TO SELLING A SUPPLY CHAIN BUSINESS

If one is selling a manufacturing, wholesale, distribution, mail order, or on-line business it is important to show the business in the best way possible like staging a house one would sell. Key variables include the facility itself, equipment - storage, material handling, automation, and manufacturing as applicable; inventory - products, raw materials, and supplies as applicable; staff - retrained; and technology (hardware, software, electronics, and accessories). It is most important to feature the business where it excels, to fix deficits whenever possible and/or cover them up to sell the business at the best price.

One must audit their operation and discover deficiencies throughout. Then determine quick fixes that are easily implemented wherever possible (or possibly do more to remove major deterrents to a sale) including:

- ◆ Modify the layout however possible to increase open space and do the same in the office which will display as much space as possible for future growth.
- ◆ Clean everywhere, the business should be spotless as dirt is the enemy of a sale. Remove stains from floors and walls and apply fresh paint as required. Add pictures, flowers, etc. in the office
- ◆ Remove clutter in all areas as applicable: manufacturing, warehouse, office, etc. Perspective buyers should experience a wide open, pleasant environment.
- ◆ Tour the whole facility. Remove all loose product, torn cartons, and any visible packing material. Clean dust everywhere.
- ◆ Review all equipment and remove either permanently or from sight whatever is old, obsolete, dirty, etc. The buyers should see as much timely, modern, and "state of the art" equipment as possible throughout the operation.
- ◆ Do the same with old, out of favour or unsaleable product.
- ◆ Review operating procedures and streamline them as much as possible. Many people moving around will be a distraction and viewed as disorganization.

- ◆ Train all employees throughout to speak to visitors in a polite and professional manner and never to say anything negative to visitors. (This should have been the company practice all along) but can be crucial to selling and getting maximum value for the business. If the employees know the business is for sale one may want to provide a script so your message to the buyer is communicated.
- ◆ Regarding technology, things are changing so fast that one buyer may think the equipment is "state of the art" and another buyer may think it is obsolete. Be prepared to address in detail just how well the equipment supports business operations throughout. **SME**

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**Jim Stovall** has been a national champion Olympic weightlifter, president of an Emmy Award-winning television network, and a highly sought after author and platform speaker. He was chosen as an International Humanitarian of the Year, joining Jimmy Carter, Nancy Reagan, and Mother Teresa as recipients of this honour.

**W**henever I have a few spare moments in an airport, at a speaking engagement, or while here in my office, I call old friends, mentors, and colleagues. Many of these people I have not seen in years, but I consistently make the effort to stay in touch. Not simply because I believe this is something that good people should do, but it feeds my attitude and my spirit.

Recently, I called an old friend and colleague whom I have not seen in at least a decade. We used to work together and communicate on a daily basis. Life and business moved on, and we found ourselves going in different directions. Simply by making a brief call, I was reminded of the good times we had and the victories we won.

My friend is several decades older than I, and I know someday

I will place that call and he won't be there. While this is sad, it is nothing compared to the depression and loss I would feel if I didn't make the investment in myself to stay in touch.

Like anything in life from which we derive benefits, it is important to stay in touch on purpose. Periodically, you should go through your data base, Rolodex, or address book and mine the treasures of wisdom and shared experience you can gather simply by picking up the telephone. If you wait on everyone else to make the call, you will be the loser in the long run. With the electronic conveniences and social media available today, there's no excuse for not staying in touch and receiving the benefits that friends, colleagues, and mentors bring into our lives.

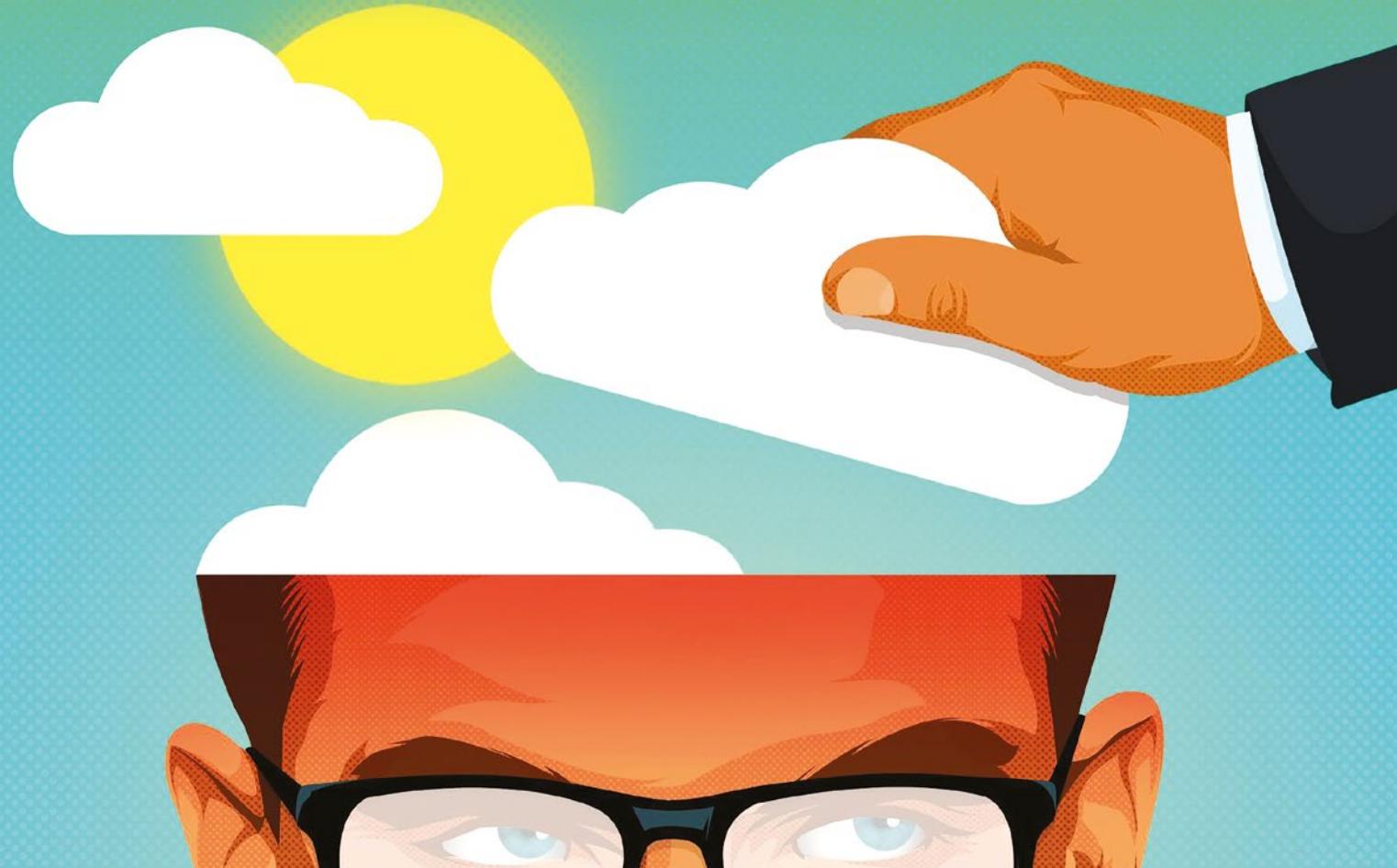
The lasting pleasure of any trip, vacation, or journey can be measured by the quality of the people with whom we travel. If you will assess your current position in life and the accomplishments you have achieved, you will come to understand that you stand atop a summit built by the investments that some very special people made in your career and your life.

Too many people forget about this investment and don't realize the wealth of joy and inspiration it can continue to bring us simply by staying in touch with those people we travelled with in the past. A five-minute call can rekindle years of friendship from the past and bring you decades of inspiration for the future.

As you go through your day today, view your telephone as a lifeline to a wealth of friendship, memories, and inspiration.

Today's the day! **SME**

## OLD FRIENDS AND NEW INSPIRATION



BY  
ONG XIANG  
HONG

# PHNOM PENH: PARISIAN STYLE, KHMER CHARM



*Due to the ongoing COVID-19 pandemic, please check the latest government advisory before travelling. Observe all restrictions and preventive measures if you absolutely need to travel.*

P

hnom Penh is one of Southeast Asia's hidden treasures. Overshadowed by its

neighbour Bangkok, and overlooked domestically for Siem Reap and the dramatic Angkor ruins, Phnom Penh nevertheless has Khmer charm by the bucketload.

As the capital and largest city in Cambodia, Phnom Penh retains much of its French character that led to its moniker, the 'Paris of the East'. The wide boulevards and promenades envisaged by the French still exist, as do several French colonial buildings.

But Phnom Penh is most known for its Khmer heritage. The capital of the Khmer empire was moved here from Angkor

Thom after it was captured and destroyed by Siamese armies a few years earlier. It is said that a local woman, Lady Penh spied a floating koki tree in the river and fished it from the water. Inside the tree she found four Buddha statues and one of Vishnu. The discovery was taken as a divine blessing, and to some a sign that the Khmer capital was to be brought to Phnom Penh (Penh's Hill) from Angkor.

It is unfortunate that modern Phnom Penh is sold to tourists partly on the brutality of the Khmer Rouge, including the Killing Fields and the infamous Tuol Sleng prison. Despite its bloody past, modern Phnom Penh is one of Southeast Asia's fastest developing cities, with tons of charm to match.

## GETTING IN

Phnom Penh International

Airport (IATA: PNH) is the country's main airport and international link. Plenty of regional and international airlines serve Phnom Penh, making it quite well connected.

To get from the airport to the city, passengers can take a taxi provided by the Airport Taxi Association or book a ride from ride-hailing

app Grab. Trains operated by Royal Railway Cambodia also run to Phnom Penh Railway Station in the city centre. There is also the city bus and an airport express bus.

Alternatively, intercity buses connect Phnom Penh to other destinations like Siem Reap, Battambang, Sisophon, Sihanoukville, and further afield. There are cross-border

buses to Cambodia's neighbours Thailand, Laos, and Vietnam.

head south.

The best way to get around Phnom Penh is by taxi or motorbike using ride-hailing app Grab. Alternatively, public transport consists of air-conditioned buses provided by Phnom Penh City Bus, a joint venture between Phnom Penh city authorities and the Japan International Cooperation Agency.

## SEE AND DO

### ROYAL PALACE

The Royal Palace was built in 1866, a comparatively recent event in the history of the Khmer and Cambodia. Built with French technology and Khmer designs, they survived the traumas of the 20th century relatively intact.

Large parts of the sprawling grounds and formal gardens are open to the public, featuring manicured gardens and Parisian-inspired paths. However, it still remains the official royal residence, so areas devoted to the royal family are closed to visitors.



### SISOWATH QUAY

Sisowath Quay runs for 3km along the west bank of the Tonle Sap river. It's fronted by a large, long open space with manicured lawns, palm trees and open pathways, all recently re-done as part of a Japanese funded project to upgrade the flood infrastructure along the river.

The built-up side of the street is home to cafés, shops, and bars, and you may spot several historically important temples like Wat Ounalom (one of the five original founding monasteries of Phnom Penh) and Wat Phnom (pagoda marking the spot where the city was founded).

### TUOL SLENG GENOCIDE MUSEUM

A school converted into Cambodia's most important prison in 1975, the site is an unfortunate reminder of the nation's tortured past. The buildings at Tuol Sleng are preserved, some rooms as they were left when the Khmer Rouge were driven out in 1979.

The museum displays include room after room of photographs; like Nazi Germany, the Khmer Rouge kept meticulous records of its atrocities. Virtually everyone photographed was later killed. It's worth hiring a guide, as they can tell you the stories behind some of the people in the photographs.



### RUSSIAN MARKET

Locally known as Phsar Toul Tom Poung, the Russian Market gained its moniker when many Russian expatriates visited the area in the 1980s. Busy and full of life, the market sells everything from local hand-woven silk, local food and drink, to DVDs and jewelry.

Many factories for international brands like Adidas and H&M are in Phnom Penh, however a lot of items may be rejected for tiny faults like missed stitching or off-colour dyes. Many of these rejects end up at the Russian Market, where you can buy them for a steal. SME

BY  
JORDAN  
LOW

# MAINTAINING A HEALTHY ENTREPRENEURIAL LIFESTYLE

**B**

eing an entrepreneur is not as rosy as people make it seem. Running a business is hard work and an unbelievable amount of dedication goes into building a successful business. Entrepreneurs have to be willing to work harder than everyone else and push themselves to the limit.

It goes without saying that for all the wealth and success that an entrepreneur earns, there are plenty of downsides to the job. For one, the levels of stress that an entrepreneur can find themselves under is more than enough to turn the average person into a complete physical and/or mental wreck. Lifestyle becomes ever more important as most entrepreneurs tend to overlook the importance of health.

Here are a few tips that entrepreneurs can take into consideration in order to live a healthier lifestyle.

## MAKE EXERCISE A ROUTINE

Working out and keeping fit is always the first thing to consider when working a high stress job. By keeping fit, you can keep your mind fresh and maintain a positive mindset. A daily exercise routine doesn't even have to be long; 15 to 30 minutes a day of light workout is more than enough.

## EAT HEALTHY

Eating good food is a common way to release stress. However, those who are particularly stressful might find themselves overeating as a coping measure. In order to remain healthy, try not to stuff yourself in one meal. It is also advisable to have a balanced diet and limit the



intake of sugar. You can still have your favourite oily and high cholesterol meals every so often, but try to limit them to rare occasions.

## UNPLUG AND RELAX

Knowing when to take a break is incredibly important as a leader and business owner. If you don't take the time to relax and unplug once in a while,

you will suffer an extreme case of burnout. Many entrepreneurs think they have to work nonstop and put in a torturous amount of hours. That is sometimes true, but you have to know when it's time to relax and recharge.

## STICK TO A SCHEDULE

Schedules are immensely useful for keeping on track. However, it is all on you to stick to that schedule. When your day is mapped out and you know exactly what needs to get done, you will see yourself completing tasks quicker and crossing tasks off your to-do list at a rapid pace. If you don't usually work overtime, then don't unless it is absolutely necessary. SME

# HEALTHY, EASY RECIPES

J

ust because you're busy, doesn't mean you can't eat well. Here are some quick, easy, healthy recipes to cut your reliance on those food delivery apps, which can get expensive!



## SPICED TUNA OMELETTE

- ◆ 4 eggs
- ◆ 1 can of tuna
- ◆ Curry powder to taste

Fry up a can of tuna in a pan over medium heat, while sprinkling with curry powder on top. While the tuna is frying, beat two eggs, then add the eggs to the frying tuna. The omelette is cooked when the eggs are firm.

*Tip:* You can add finely diced vegetables to the dish if you want. Peppers and onion go very well with this dish.



## CARAMELISED ONION PASTA

- ◆ 2 onions, sliced thinly
- ◆ 250g pasta (any shapes)
- ◆ Pinch of salt
- ◆ 1 tbsp sugar
- ◆ Dash of red wine vinegar (optional)
- ◆ Dash of chili flakes (optional)

Heat oil over medium heat, then add onions. Sprinkle over salt and sugar, which helps break down the onions faster. Cook, stirring occasionally until tender and golden brown (about 30 minutes). Add chili flakes and vinegar (if using). While the onions are cooking, cook pasta in a large pot of boiling water according to instructions on the packet.

Once pasta and onions are done, add pasta and 1 cup pasta cooking liquid to onion mixture and stir to combine.

*Tip:* Properly caramelise the onions until they are a deep golden brown. Depending on your stove, it may take up to an hour. Don't rush this step, go low and slow!

## EGG FRIED RICE

- ◆ 4 cups cooked rice
- ◆ 4 eggs
- ◆ 1 diced onion
- ◆ 1 cup peas
- ◆ ½ a carrot, diced
- ◆ 3 cloves garlic, minced
- ◆ 2 tsp sesame oil
- ◆ Soy sauce to taste
- ◆ Pepper to taste



Crack the eggs into a bowl and whisk together.

Heat a large pan over high heat. Once the pan is hot, add the eggs and scramble them for about a minute. Add the vegetables and cook them for about 3 minutes, stirring constantly.

Add the cooked rice and cook for a few minutes, until the rice is heated through. If you have large clumps of rice, break them apart with the back of your spatula. Finally, add the soy sauce, sesame oil, and pepper, then stir to distribute the seasonings.

*Tip:* Use whatever vegetables you want! This is the beauty of this dish, it is infinitely flexible and a good way to use leftover rice. SME

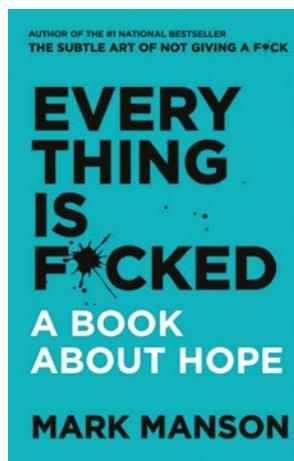
## PICK OF THE MONTH

## BOOK

**EVERYTHING IS F\*CKED:  
A BOOK ABOUT HOPE**

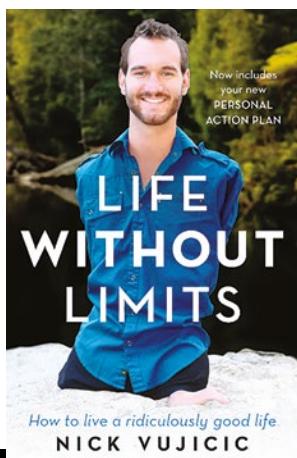
BY MARK MANSON

**I**n Everything Is F\*cked, Manson turns his gaze from the inevitable flaws within each individual self to the endless calamities taking place in the world around us. Drawing from the pool of psychological research on these topics, as well as the timeless wisdom of philosophers such as Plato, Nietzsche, and Tom Waits, he dissects religion and politics and the uncomfortable ways they have come to resemble one another. He looks at our relationships with money, entertainment and the internet, and how too much of a good thing can psychologically eat us alive.

**LIFE WITHOUT LIMITS**

BY NICK VUJICIC

**B**orn without arms or legs, Nick Vujicic overcame his disabilities to live an independent, rich, fulfilling, and "ridiculously good" life while serving as a role model for anyone seeking true happiness. Now an internationally successful motivational speaker, Nick eagerly spreads his message: the most important goal is to find your life's purpose and to never give up, despite whatever difficulties or seemingly impossible odds stand in your way. Let Nick inspire you to start living your own life without limits.

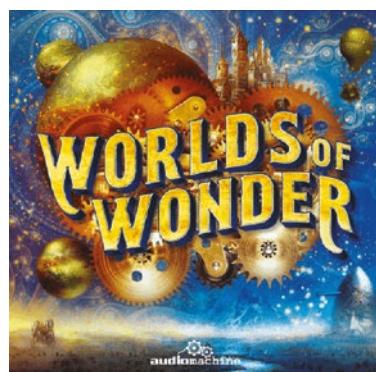


## MUSIC

**WORLD OF WONDER**

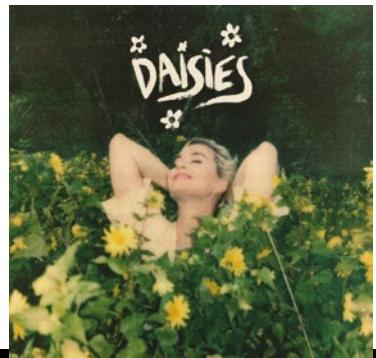
BY AUDIOMACHINE

**A**udiomachine is an American production music company that usually focuses on producing music for movies, music videos, and advertisements. Every once in a while, the company releases an album for the general public. Worlds of Wonder is among some of their best work. It is an album that consists of epic orchestral arrangements that wholly captures the sense of wanderlust and beauty of seeing new and wonderful sights. Worlds of Wonder is a celebration of magic, mystery and mayhem.

**DAISIES**

BY KATY PERRY

**W**ith 'Daisies', Perry drops her best single, probably since 'Never Really Over'. This mid-tempo pop anthem has an undeniable chorus on which she shows some of her finest vocals yet. It is all quite bombastic and dramatic, but it suits the message of the song. Perry wrote it about times in which no one believed in her dreams but herself. The song is inspirational and encouraging, and is bound to uplift anyone's spirits.



## MOVIE

**SOUND OF METAL**

Cast: Riz Ahmed, Olivia Cooke, Mathieu Amalric

**S**ound of Metal is an emotional drama which tells the story of a drummer who begins to lose his hearing; as well as his journey to cope with the issue. First premiering at the 2019 Toronto International Film Festival, the film went on to receive critical acclaim. With a whole array of positive reception, Sound of Metal makes a case for acceptance and for embracing the inevitability of unpredictable change.

**READY PLAYER ONE**

Cast: Tye Sheridan, Olivia Cooke, Ben Mendelsohn

**R**eady Player One is a science fiction action-adventure film directed by Steven Spielberg and is based on a 2011 novel of the same name. It takes place in 2045, when much of humanity uses the virtual reality software to escape the hardship of the real world. The movie is filled to the brim with classic movie, pop culture, and video game references and builds upon the nostalgia of 80's to current day entertainment.



The film is a true love letter to entertainment and is a simple but fun two-hour journey down memory lane.

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I

did not become an entrepreneur by choice. Like most, I was forced to; as I was about to lose my job (or so I thought).

Very early in my career, I lost my job twice – within the space of a year – because of the Asian financial crisis. Both bosses did not fire me. They simply stopped paying salaries.

In recent months, I frequently hear from friends about how they are finding it hard to cope with the current pandemic. None of them have been personally infected, but all have been deeply affected.

The casualty of this pandemic is not just our physical health, but also our mental and emotional health. And for most people, our monetary health as well.

I know it is not easy to lose your job. But what's worse than losing one's job is the hopelessness that goes along with it. That somehow it is your fault. And how unfair life is – that despite your best

efforts, your hard work and being so much better than everyone else – you are the only one who's out of a job.

It gets doubly bad when you've got a family to raise. And lots of debts to repay.

If you are an entrepreneur, you could be watching your years-long hard work falling apart right in front of you. And some of us have to do the unenviable act of letting staff go, and shutting down our own businesses.

I always think there is a time for everything. There is time to walk. There is time to run. And there is also time to take a rest and reflect.

If you have lost your job, do not despair. Do not be shy to ask for help from friends and relatives. Many of us cannot get past that – but be assured that even if they look down at you or refuse to help, you would have done the right thing. And when times improve, and you are in a position to help them, offer your help in return.

Do not be choosy with jobs. When I lost mine, there was no gig economy. I

couldn't have gone freelance. And I didn't think (and still do not think) I have any marketable skill.

Just the other day, an elderly man in an relatively new Honda Accord delivered food to me for FoodPanda. When I looked him in the eye, he quickly looked away and hurried back to his car. He didn't have to. I was about to tell him how proud I am of him, and that I wish I can do just as much to bring money home.

If you are an entrepreneur, there is no need to hold on to something that you know cannot be mended. Do whatever it takes – conserve cash, call up suppliers to reschedule payment, speak to your staff about a temporary pay cut, and ask others for help. But if all else fails, it is not wrong to hibernate and fight the battle at a different time. You are not alone in this.

It is also important to look out for the vultures, the ones who will pick on your vulnerability right now. Who, on the pretext of helping, get you to spend more with them. Evaluate your options closely.

It is in a time like this that you know who your friends are. If there's nothing else you can do, at least this is an opportunity to know who's got your back. And that's very important.

Tough times don't last. Tough people do. This is not just a saying, this is something that I've seen personally over and over again.

Do not give up.

If you have to speak to someone about your challenges, feel free to drop me an email. You can find it at the top of this page. **SME**

## DEPRESSION OR RECESSION



# 收 斂 生 肌 止 痛



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