

## COMMENTARY

# So we've innovated. Now what?

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**R**EMBER that bubble tea fad that swept Singapore off its feet those many moons ago? That was sort of a bubble, wasn't it? Today, instead of cups of saccharine goodness procured from bubble tea kiosks, artisanal coffees from chic cafes are the taste *du jour* of the food and beverage scene here.

(Actually, I hear that *giam neng*, or salted egg, with [insert name of ingredient here] is the new darling now, but I don't check Instagram or food blogs often enough for recommendations.)

The bubble tea market is "still there, but it's not the main focus", said Victor Mills, chief executive officer of the Singapore International Chamber of Commerce (SICC) on Tuesday. "And you'll get companies and businesses that keep doing that."

It's a point that bears repeating: after you've disrupted incumbents, what do you do next to become the incumbent?

Innovation is key in Singapore's new economy, but even as it restructures, Mr Mills' observation joins a growing chorus of voices that call for companies to also redesign their business models so that they can be in lockstep with the changing times.

We've seen it all before – some companies have come up with creative products or solutions but failed to tap their potential. They lost the plot, and their moment was over.

A Singapore-listed technology company claimed to have invented the USB flash drive back in 2000, but spent years – and millions of dollars – trying to assert its rights on the technology and the brand name. Then there's that storied brand, Kodak. One of its engineers invented the digital camera in the 1970s, but that never caught on. Decades later, digital photography makes a comeback, and the Kodak moment is now over.

So while Singapore is fostering innovation for its new economy, it must – at all levels – think of how to harness the potential from these innovations by taking a deep look at how things can be done.

Representatives from all corners of the economy are sounding the alarm on this, including those deeply engaged in digital technology – often viewed as a disruptor.

The chief of Singapore-based consumer Internet platform provider Garena had said that "business model is more important than innovation because it leads to more sustainable outcomes". An entrepreneur at an event that I was covering had said that start-ups are designed to burn brightly and quickly – to fail, even. This is so that larger companies can, through acquisitions, tap on their know-how and remain relevant themselves.

Economists I spoke to also noticed that the government has changed its approach to bring this point across. They noticed that while the Productivity and Innovation Credit Scheme has had limited success, the more targeted Industry Transformation Programme is the government's way of saying to the companies: "Hey, here's where we see the sector heading towards, so let's show you how to reorganise to get there."

Said Minister for National Development Lawrence Wong, who also sits on the Committee of the Future Economy, at Tuesday's SICC's event: "Easy to come up with ideas, but the tough part, very often, is implementation and action. I don't think it's just the government's job. . . we want private-sector involvement as well."

They are all making this plea, because the road ahead for Singapore is much more complex than before, and business models must change to adapt to new realities.

One area where things are already changing is in the workplace. With younger workers more vocal and more open to changes, companies now also look at job applicants' pursuits outside of academic qualifications. Flatter hierarchies at the workplace are also preferred. This is all so that the best talent can be retained, and thus help the company adapt to future challenges.

As the *giam neng* craze rages on, it would be comforting to know that it has always been a key ingredient of a beloved dish – salted egg yolk prawns – at some Chinese restaurants.

Now that's a creative dish that withstood the test of time.