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MEDIA ADVISORY: SCCCI'S SME Survey 2014 Findings

The Singapore Chinese Chamber of Commerce & Industry conducted its annual flagship SME Survey from May-July this year, and the results are based on a total of 645 respondents. SMEs accounted for 97% of the respondents, while 88% of the respondents are business owners and decision-makers.

In terms of **Business Sentiments and Key Challenges**, 83% of the companies surveyed are facing rising business costs (up 9% compared to 2013), while 46% reported a decline in profit margins (up 7%).

The two key business challenges encountered are rising business costs and manpower shortage. Employee salary and rentals are the two top contributing factors of rising business costs.

There is also an upward trend in **Productivity Improvement Efforts**, as the survey revealed that 90% of the companies surveyed have taken concrete measures to increase their productivity (6.4% point increase compared to 2013). The two most common productivity improving measures are: training to upgrade employee skills, and adopting automation/leveraging on IT.

As for **Adopting Government Assistance Schemes**, 73% of companies surveyed have applied for government schemes, this being a strong 18% point increase compared to 2013. However, the micro-enterprises (with annual revenue below \$1 million) are still lagging behind in their productivity effort and in leveraging on government schemes.

Summing up the survey recommendations, SCCCI Vice-President Lau Tai San said: "Productivity improvement is an ongoing effort that has gained momentum." However, the effects of productivity measures need to be seen over the long term. The SCCCI would like to recommend that "in the next phase of productivity drive, government and TACs can help SMEs to sustain the effort to achieve the intended results and business outcome."

Another recommendation is for government agencies like JTC and HDB to continue to provide affordable business premises, consult businesses closely in the policy making process, and help in building SMEs' track record.

The full report is attached for reference.

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About Singapore Chinese Chamber of Commerce & Industry

Established in 1906, the Singapore Chinese Chamber of Commerce & Industry (SCCCI) is an internationally renowned business organisation and the apex body of the Chinese business community in Singapore. It is the founder of the biennial World Chinese Entrepreneurs Convention and the World Chinese Business Network (www.wcbs.com.sg), a global online business information portal. It plays a key and pro-active role in representing the interests of the local business community. In its continued drive for service excellence, the SCCCI has become the first business chamber in the region that has been awarded ISO 9001:2000 certification since 1995. In 2009, the Chamber successfully upgraded its ISO certification to ISO 9001:2008.

The SCCCI has a membership network comprising over 4,000 corporate members and 151 trade association members, representing over 40,000 companies including large financial and business organisations, multinational



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corporations, government-linked companies, and small and medium enterprises from a wide spectrum of trades and industries. Together, they provide the business community with vast resources and an influential global Chinese business network for business, culture and education.