Lifelong learning integral for SMEs

By Calyn Yap

The latest instalment of the MALAYSIA SME Biz Networking and Seminars (BNS), which was held on Aug 16 in Kuala Lumpur, saw speakers emphasise on the importance of lifelong learning and training for SMEs to be sustainable and grow further.

The seminar featured many notable speakers, including Bank Rakyat School of Business and Entrepreneurship executive education centre deputy director Dr Phu Eng Tedi; Malayan Banking Berhad SME banking and community financial services training and advisory entrepreneur development department head assistant vice president Zulkindin Zakaria; Cisco Systems Malaysia territory business manager Cheong Cheng Mui amongst others.

In his presentation, entitled Soft Skills Development Programmes Pathway for SME Entrepreneurs’ Venture Ecosystem, Phu highlighted that it is vital for SMEs to equip themselves with appropriate industry knowledge and business skills, and increasingly stiff competition and globalisation.

An enterprising mind?

Phu said that in countries where there was high unemployment, people were forced to survive hence they start their own businesses. They are driven to business in order to survive. "Malaysians, however, have a different mindset, as we tend to work under people rather than go out and start our own business," he said.

This is despite the wealth of opportunities afforded to Malaysian entrepreneurs. It is the fear of failure that stops Malaysian entrepreneurs from growing to their full potential. He said: "We are more conservative as compared to China. There, they will try and grab opportunities as it comes, while we fall back in fear of failure. There is a lot of opportunity but there is not enough initiative.

As compared to China and Taiwan, entrepreneurial intention is low. One factor that can positively contribute to increasing awareness about entrepreneurship is the media, and the fact that the media has realised the role it has to play to boost entrepreneurship.

The world has moved on while Malaysia is still stuck in its comfort zone, entrepreneurs have turned to social entrepreneurship. Phu said: "Social entrepreneurship is entrepreneurship that is based on a social concept, such as Green technology. We are still left behind, and it is dangerous to sit in our comfort zone for too long.

"This also means, however, that there is tremendous opportunity. You just have to go grab it. Take the initiative and be more forward. There is no reason why we cannot do it. Internationalisation and looking beyond Malaysia is the key to success."

Innovation and human capital development.

"The way forward is not only to grab..." Phu concluded.

Entrepreneurs need soft skills to complement hard skills

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Opportunities. We must also change from being opportunity-driven to being innovation-driven. This is an important direction Malaysia must move into," he said.

Areas where Malaysia can innovate are in eco-tourism, research and development, as well as downstream potential. Phu further stressed on the importance of soft skills to complement hard skills in entrepreneurship, and said that in order to expand on an international level, core competencies must be upgraded, as expectations for soft and hard skills is higher.

The solution to this, according to Phu, is in education and training. "Never think that investment in training your people is a waste. It is necessary," he said, adding that human capital development remains a key aspect to business growth.

"We have to move towards knowledge management dealing with people. People are a value, and you should not underestimate that," Phu advised.

While there are common reasons why SMEs fail, they can be segregated into several main areas. Non-profitable makes up 25%, access to finance 21% and the remaining 54%, surprisingly, lies with the incompetency of management skills.

He reiterated: "Core competency is critical in today’s business and is a part of entrepreneurial practices. For SMEs to grow, they must look at three main things: their values, goals and commitments; business succession plans as well as leadership quality & entrepreneurial skill.

At the crossroads

SMEs must look at 3 things: values, goals & commitments; succession plans as well as leadership quality & entrepreneurial skill.

Global business leaders are set to converge in Kuala Lumpur for the Forbes Global CEO Conference to debate critical junctures in the global recovery

From Sept 12 to Sept 14, approximately 400 top global business and thought-leaders will gather in Kuala Lumpur for the 11th annual Forbes Global CEO Conference to assess the outlook for the world economy in these volatile times, and examine the risks and opportunities arising from a fragile global recovery.

Under the theme of At the Crossroads, the Forbes Global CEO Conference will be attended by Malaysia’s top political leaders. Forbes Media chairman and editor-in-chief Steve Forbes will engage in “A Meeting of Minds” dialogue session with Prime Minister Datuk Seri Najib Tun Razak. Steve Forbes will also conduct an in-depth conversation with the Deputy Prime Minister and Education Minister Tan Sri Dato’z Hairuddin Yassin, in a special session.

International Trade and Industry Minister Datuk Seri Mustapa Mohamed said: “Malaysia is proud to once again welcome some of the world’s top policy makers, heads of business empires and global investors to our promising nation. As a crossroads of global trade, Malaysia is an ideal destination for identifying opportunities for investment and economic cooperation that will help put the global recovery back on track”.

Forbes Asia president and publisher William Adamopoulos said: “We are excited to bring the Conference back to Kuala Lumpur, and provide a uniquely high-powered platform for our community of captains of industry, tycoons and entrepreneurs to discuss and debate the best ways forward for the global economy.”

More than 50 speakers from around the world are confirmed to share their insights at the Conference. Among them are chairman and chief executive officers who are members of various Forbes lists on the world’s richest people, most powerful women and ‘Heroes of Philanthropy’.

— By Victoria Gassman