

ACCOUNTANTS FOR BUSINESS

Talent development in Singapore: planting the seeds to be a global hub

AN ACCA SINGAPORE – IIA SINGAPORE ROUNDTABLE DISCUSSION,
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About The Institute of Internal Auditors and IIA Singapore

Established in 1941, the Institute of Internal Auditors (IIA) is the internal audit profession's global voice and recognized authority. Here are the top reasons why more than 170,000 members in 165 countries have joined the IIA:

- The Certified Internal Auditor (CIA) examination offered by the IIA is the only globally accepted certification program for internal auditors. Since 1974, the CIA certification remains the standard by which individuals demonstrate their competency and professionalism in the internal auditing field. There are close to 100,000 CIA's worldwide.
- The International Professional Practices Framework (IPPF) is the authoritative guidance on the internal audit profession. Issued by the IIA, the IPPF presents internationally consistent mandatory and strongly recommended guidance for the practice of internal auditing anywhere in the world.
- The IIA publishes the Internal Auditor magazine, the world's leading publication covering the internal audit profession. This is an example of the efforts of the IIA Research Foundation to expand knowledge and understanding of internal auditing by providing relevant research and educational products to advance the profession globally.

The IIA Singapore was established in 1976 and currently has almost 2,000 members.

About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. We believe that accountants bring value to economies in all stages of development and seek to develop capacity in the profession and encourage the adoption of global standards. Our values are aligned to the needs of employers in all sectors and we ensure that through our qualifications, we prepare accountants for business. We seek to open up the profession to people of all backgrounds and remove artificial barriers, innovating our qualifications and delivery to meet the diverse needs of trainee professionals and their employers.

We support our 140,000 members and 404,000 students throughout their careers, providing services through a network of 83 offices and centres. Our global infrastructure means that exams and support are delivered – and reputation and influence developed – at a local level, directly benefiting stakeholders wherever they are based, or plan to move to, in pursuit of new career opportunities.

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Purpose of discussion

The Economic Development Board (EDB) plans to build on existing strengths and add new layers of capabilities to enable Singapore to become a 'home for talent'. What roles can educators play to realise the goal of making Singapore a global talent hub?

Deputy Prime Minister and Defence Minister Teo Chee Hean provided this insight: He noted that the next phase of Singapore's economic growth will depend critically on knowledge creation, which would in turn depend on cultivating a strong culture of education and continuous learning. He believed that this would also help in attracting foreign talent to our shores. A comprehensive talent attraction and development strategy should therefore begin in the schools.

Educators play an important part in nurturing talent. But further than that, a respected and popular global educational hub will also attract foreign talent resulting in an expanded talent pool. The connection between education and talent attraction is therefore almost self-evident but, so far, it has not been explored in any detail.

One of the Committee to Develop the Accountancy Sector's (CDAS's) three strategic thrusts is to be a leading global centre for accountancy talent, education, thought leadership and professional development. To transform Singapore into a Centre for Professional Development, CDAS has recommended promoting niche specialisation pathways for internal audit, risk management, tax, valuation and CFO development. This will make the educational and professional environment richer with opportunities and possibilities.

Specific initiatives include developing structured professional education/training programmes (including degrees and post-graduate programmes) and certifications with the intention of positioning Singapore as a global centre for professional development and expanding the talent base from Singapore and inflows from the region.

With these developments, it would appear that there is an urgent need for educators to come together to discuss how, individually and collectively, they can assist in planting the seeds to develop Singapore as a global talent hub.

The ACCA Singapore-IIA Singapore roundtable discussion brought together participants to explore the linkage between education and talent attraction. It also provided a platform to exchange views on ways that leading educators in Singapore can assist in increasing the growth of inbound talent, including a frank discussion on challenges and opportunities to realise Singapore as a leading global talent and education hub.

The participants included education providers, several employers, a director of an international executive recruitment agency, a senior researcher in human resources and a representative from an industry association.

Key conclusions

The key conclusions from the roundtable were as follows:

1. Participants generally agreed that the educational infrastructure plays an important role in attracting, developing and rooting talent in Singapore.
2. Participants felt that Singapore has a role to play in the global arena. It can add value and compete with Western countries if it had the right strategy.
3. Participants felt that perhaps, to some extent, we may have to accept that talent is intrinsically transient. Strategies for attracting talent may therefore have to use this as a working assumption, particularly for high grade talent. In essence, this underscores the meaning of a 'hub'.
4. Post-graduate and niche specialisation pathways were seen to be critical in attracting and rooting high-grade talent. In connection with this, it was realised that there is currently a lack of post-graduate and specialist skills educational providers within Singapore.
5. More efforts should be made to attract talent at a younger age to allow sufficient time for acculturation and the right conditions for roots to grow. For this purpose, engendering a culture and society which does not alienate Generation Y and Generation Z was seen to be important.
6. More links are required between educational providers and industry. This is to ensure that graduates have the requisite skills and knowledge for industry and that industry participants also contribute to education and professional development.
7. More diverse skill sets are required today due to the rising complexity of the business environment with a multiplicity of niche specializations to cater to the diverse range of needs in industry.
8. It was noted that while graduates were technically proficient, many of them had deficiencies in language skills. This was considered a significant impediment as communication skills were critical in a high value-add services-based economy.

Roundtable discussion points

IS THERE A CONNECTION BETWEEN EDUCATION AND TALENT ATTRACTION AND RETENTION?

'Education is the raw material for the corporate sector.'

Jayantee Saha

Participants were of the view that the education system lays the groundwork for the type of talent we generate for multinational corporations. It also allows foreign students to experience Singapore while pursuing courses here. Many of these foreign students, being familiar with the Singapore environment, are likely to work here after they graduate or subsequently when relocation opportunities arise in the organisations that they are employed.

Links with educational organisations and familiarity with the local culture can be important considerations later when multinationals overseas consider relocating their staff. Companies are likely to send their staff back to countries where they will have a headstart due to their previous exposure.

It was also noted that good post-graduate and niche specialist courses conducted here would attract high grade talent to spend some time in Singapore.

SINGAPORE AS EDUCATION HUB

Singapore intends to attract 150,000 students by 2015 to our shores as part of its Global Schoolhouse vision. However, one participant was unconvinced that Singapore could compete with Western countries as an education hub. Other participants were, however, more optimistic, particularly in considering Singapore as a regional hub. It was felt that Asian students would feel more at home in Singapore than in a western country. Hence, students from the two most highly populated and fast growing economies of India and China are likely to continue to provide a significant supply of students to Singapore, as observed by Jayantee Saha, principal researcher at the Singapore Human Resource Institute (SHRI) Research Centre.

'We are in the middle of India and China; they are fuelling the education industry by and large.'

Jayantee Saha

A connection was also made about attracting more foreign trainers and educators to develop Singapore as an education hub. This was seen to be an important component in attracting students to Singapore. However, a conundrum was observed by Tim Hird, director of executive recruitment agency, Robert Half International:

'It's a bit of a chicken and egg scenario; where in order for us to be the educational hub of Asia Pacific, we need more lecturers, more input etc. But we are restrained or constricted by getting those people externally because of where we are as an education hub today.'

Tim Hird

We will need to generate a virtuous cycle of better trainers and more resources to attract students. The growing schoolhouse would then itself attract high profile trainers and educational institutes to set up shop in Singapore. Efforts should be increased to attract educators and trainers from abroad. Their presence in Singapore will attract high grade talent to our shores.

It was noted that, unlike in Singapore, many universities overseas were not located in the heart of big cities; not in the place or city where the graduate would subsequently go to work. In some sense, this confers an advantage to Singapore which has universities not far from the city and one university in the heart of the city. Students and graduates would then already have some familiarity and access to the corporate sector, even while they pursue their courses.

MORE LINKS BETWEEN EDUCATORS AND INDUSTRY REQUIRED

More needs to be done by educators in terms of linking with employers and understanding their needs. Participants felt that there are insufficient links between educators and practitioners and that there should be more integration between industry and education providers.

Eugene Lam, director of the human resources growth market unit at IBM global business services, said that local educational institutions need to engage industry players in order to coordinate what is taught in school with the skill sets needed in the corporate world. It was also felt that more practitioners from industry should participate in education to bring their wealth of experience directly to students.

Uantchern Loh, president of IIA Singapore, highlighted the dearth of educators, practising in industry and business, who were needed to nurture both existing and inbound talent. It was noted that, in Holland, senior managers are required to do lectures in university.

‘There is a need for practitioners and industry players to develop a sense of civic-mindedness by lending a hand in the education process.’

Uantchern Loh

It was also felt there is a lack of educators who can provide ‘masterclass’ sessions to graduates. We need to attract more educators, particularly from middle management. Uantchern added that IIA Singapore was working with the Singapore Management University (SMU) on a variety of programmes in this connection.

To minimise students returning to their home countries immediately after they graduate or complete relevant phases of their courses, it was suggested that regulations be made more flexible to allow for more internships for these graduates and students. Industry can provide more internships to graduates and students to enhance linkages with the education sector.

It was noted by Darryl Wee, country head of *ACCA Singapore*, that the competition that CDAS is generating among educational providers is healthy because it will push the market to greater maturity.

SINGAPORE AS TALENT HUB

‘Which were the top 20 countries that CFOs work in? Would Singapore be one of them?’ asked one participant. The obvious pluses that Singapore has: economic and political stability, well-developed infrastructure and high level of security were acknowledged by participants. The reputation of the Singapore brand was also acknowledged to be high, particularly in the region, and well sought after.

People want to come to Singapore because it is a safe and secure place. It is a wonderful place to bring up families because of the safety and school system. It was also considered that Singapore had better work ethics. Many Singaporeans were also bilingual, giving the Singapore workforce a ‘dual language’ advantage. But getting access to talent is getting very difficult, lamented one participant.

In comparison with other cities or countries, it was noted by participants that the remuneration is better in Hong Kong. Hong Kong remains a prime destination for many, given its proximity to the China market and its bustling city life. It was also noted that singles (including investment bankers, quipped a participant) preferred Hong Kong. In Australia there was better work life balance and employers conferred more empowerment to employees. Some participants also believed that Malaysia would provide some healthy competition. In order to compete with these cities or countries, Singapore would then have to offer something superior and distinctive (which is already being done) and also identify and build on the comparative advantages that Singapore has.

Some participants realised that incorporating the Asian perspective into our curriculum could work as a comparative advantage. For example, wealth generation and management in Asia and Europe could be very different. New and unique answers to Asian issues may therefore be required. Post-graduate courses which incorporate an Asian perspective should therefore put Singapore in good stead to compete with European and American universities.

We should not replicate Western universities but complement them. Hence, Singapore can create an Asian niche specialisation and be a gateway to Asian education in the region. Some participants felt that Singapore should see itself as a catalyst for the whole region.

‘Singapore plays a very significant role in Asia and contributes in many ways in building the whole region around it by providing different expertise.’

Laval Wong

Other participants suggested modelling Singapore as the 'Boston of the East'. Darryl, however, cautioned that Singapore should not try to be everything for everybody. He pointed out that we have limited resources so we need to make choices. Singapore's role should be complementary to others in the region.

'Singapore should not be everything for everybody. The danger is if we try to be everything, we are not going to be successful.'

Darryl Wee

HIGH GRADE TALENT AND POST-GRADUATE EDUCATION

'The key is to get talent at a high level, at the highest level, not just any foreign talent.'

Kaka Singh

It was noted by participants that it is not sufficient just to attract talent, but to attract the right type and calibre of talent. The connection was then made with post-graduate education. It was realised that post-graduate educational offerings and niche specialization pathways will attract higher grade talent to come to Singapore.

Participants were of the view that, currently, Singapore lacks sufficient post-graduate and niche specialisation pathways. One main focus of developing the education hub should therefore be to enhance the number of niche specialisation pathways which build on core academic and professional qualifications. This may also include specialist skills training. We will also need a whole buffet of post-graduate courses to satisfy the needs of foreign graduates.

Some participants also felt that we need more programmes to help professionals with existing careers to switch careers due to changing interests and reward perceptions. There should therefore be more educational offerings relating to adult and professional education.

DIVERSE SKILL SETS REQUIRED

'The set of skills required is much, much more diverse than it ever was in the past.'

Philip Overmyer

Due to the rising complexity of businesses and the economic environment, participants realised that the skill sets required today will not only be different from the past but will also need to be multiplied to fulfil niche demands. It was realised that when we hit full employment, there may not be enough people in the multiplicity of specialised areas to run a complex economy. The supply of specialists' skills will be a constraint to economic growth. Niche (cutting-edge) professional courses will therefore be needed.

Some participants noted that skill sets are decreasing in areas like the English language.

'Despite possessing competent technical skills, many foreign talents lack proficient language skills, which ultimately hinder their integration into society'

Stephen Tjoa

IS TALENT INTRINSICALLY TRANSIENT?

'We worry about how long people stay. I think the issue is how they contribute while they are here.'

Darryl Wee

It was noted that talent outflow is very high and many want to be in Singapore for only two to three years. Talent tends to go to different countries to sample the best. Some participants acknowledged that we may have to accept that talent is intrinsically transient due to globalization. They felt that we should not be too concerned about retention as we are a global community.

Jayantee shared data which showed that talents come here for a brief period and then prefer to move on to other destinations. Hong Kong, Japan and Australia are the three major countries which are attracting talent because they are closer to the business.

While Singapore boasts stability, safety and a good infrastructure, it remains a stepping stone for many foreigners. 'Talents only come here for a brief time before going elsewhere, such as Hong Kong and Australia, where there is better remuneration,' observed Jayantee. Many foreign talents eventually seek greener pastures elsewhere, especially in countries with 'more buzz', said Eugene.

'...the idea of retaining [talent] may not be something we should be too concerned with because, really, I think now we move talent quite easily, all across [the world].'

Eugene Lam

The duration of retention becomes less important than what the foreigners contribute while they are here, he added, agreeing with Darryl.

ATTRACTING TALENT AT YOUNGER AGE

Several participants strongly suggested that potential foreign talents need to be brought in at a much younger age. 'Import earlier' said one participant. These may include ASEAN scholars and others.

'We give them our scholarships, and then our culture.'

Kaka Singh

Attracting the younger generation means that we will need to pay special attention to the needs and psyche. We will need a fun place, like Dubai and Shanghai, some participants said. Singapore is gaining energy and buzz but still has some way to go. Without a compatible culture it may be difficult to retain young talent.

Successful acculturation also depends on how willing Singaporeans are in assimilating foreigners into the society and making them feel at home.

'Create a more assimilating society for foreign talents,' said Stephen Tjoa, executive director of people, performance and culture at KPMG LLP.

Conclusion

Participants generally agreed that the educational infrastructure plays an important role in attracting and rooting talent in Singapore. They also agreed that Singapore has a role to play in the global arena and can add value and compete with Western countries if it had the right strategy. Its immediate goal, however, would be to aspire to be a regional education and talent hub, using India and China effectively as hinterlands.

It was realised, given the reality of the mobility of talent globally, that perhaps we may have to accept that talent is intrinsically transient. Strategies for attracting talent may therefore have to cater to a constantly changing pool of talent, particularly in respect of high grade talent. This would mean high inflows accompanied by high outflows of talent, truly exemplifying a hub.

The development of a wide range of post-graduate qualifications and niche specializations which also complement and integrate with professional qualifications was seen to be important in satisfying the increasingly diverse needs of industry and business. This is also in line with CDAS recommendations, which deals specifically with accountancy sector.

Participants also observed that many graduates who were technically proficient were short on language skills. This was perceived as a serious issue in a service-based economy where communication skills were a priority. Another area of possible future research will therefore be to ascertain the language competency of graduates, as perceived by employers, and identify the main causes for this anomaly and how it affects service levels.

Singapore will need to work hard to be first, a regional hub and then a global hub for education and talent. With the right strategies in place, almost all the participants in this roundtable believe that this is achievable. Educational providers have a crucial role to play to realise these goals which, when achieved in stages, will provide sufficient buoyancy to propel Singapore's economy on a smooth flight to the next stage of growth through knowledge creation.

The participants

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