

Singapore's Core Competencies And Key Success Factors That Led To Sustainability Of Growth And Development

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Abstract

In the last few-decades the world has witnessed an unprecedented increased economic development of the Singapore. The rapid development from a low-income economy to a well developed country is driven and facilitated by radical changes in Information and communication technology, sound educational system and encouraged research and innovation-intensive industry. Conclusively, a strategic location, good governance and excess foreign economic engagements helped transformed the country's economy.

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I. Introduction

A tiny red dot on the map, as the world would call it, a nation that has not celebrated 55 years of independence, transforming from a park water under developed economies into a world economic and education leader in a short period (Hays, 2015). Bridging trade and commerce through its vigorous transportation, communication, and IT networks and at the same time exhibiting a business structure that is completed with free trade agreement, double taxation agreement, investment guarantee agreement, making it a conducive trade zone. Today, it is regarded as one of the world's fastest-growing economies. Giving rise to a GDP per capita of U.S. \$60,000, confirming it one of the strongest economies in the world(Zhou, 2019).

The History of Singapore's economic development.

Singapore is officially known as Republic of Singapore, an island city state in South east Asia, positioned one degree (137 kilometers or 85 meters north of the equator), at the Southern tip of the Malay peninsula, with Indonesia's Riau Island to the south and Peninsular Malaysia to the north.

This Island is consists of 5.6 million residents of which 39% are foreign national, including permanent residents. There are officially four languages: English, Malay, Mandarin, Chinese and Tamil. Most Singaporeans are bilingual and English serves as the nation's lingua franca, while Malay is the national language.

Independence:

Singapore was under British control for over 100 years, but the colony could not be protected from the Japanese during World War II by the British. This failure ignited an anti-colonial and nationalist sentiment which led to Singapore's independence. They seceded from the British crown and merged with Malaysia to form the Federation of Malaysia in August 31st, 1963.

After two years of existence together as a colony both states disagreed on many political and economic issues, leading to social and communal strife, street riots and violence. The fear of increased number of Chinese in Singapore posed a great threat to their heritage and political ideologies of the Malay. To limit the influence of communism, the Malaysian parliament voted to expel Singapore from Malaysia in 1965, giving Singapore their formal independence on August 9, 1965, with Yusof Bin Ishak serving as the first president and Lee Kuan Yew as its Prime Minister.

After Independence, they experienced unemployment and poverty with little or no national resources. Sanitation, proper infrastructure and adequate supply which led them to seeking for international assistance which was turned down leaving Singapore to their fate of fending for themselves.

Globalization

During colonial period, Singapore concentrated on entrêpot trade, introducing little job expansion to the country's economy. After the withdrawal of the British, unemployment situation got worsened. In view of this situation, the Singaporeans embarked on comprehensive programme of Industrialization focusing more on labour intensive industries. Due to the country's inexperience industrialization, they engaged in trade and services with no expertise and adaptable skills, which forced them to go in search for opportunities beyond their

borders to improve their industrial development. In order to create job opportunities for their people, Singapore began to experiment with globalization. Lee Kuan Yew knew connecting with the developed world and encouraging multinational cooperation to manufacture in Singapore would be the preferred solution toward achieving globalization.

Singapore created an environment that was safe, corruption-free with low taxation, to attract investors. The citizen had to sacrifice their freedom for an autocratic government, there was death penalty for anyone caught conducting narcotic trade or engaging in intensive corruption. People Action Party repressed all independent labour unions and consolidated what remained into a single umbrella group called the National Trade Union Congress (NTUC) which was controlled by the party.

There was jail sentence for those who threatened national, political and corporate unity. Business friendly law were initiated to attract international investors. Singapore with their stability in politics and economic climate, coupled with the advantageous locations and established port system, made the country an ideal place to manufacture goods. Today the Port of Singapore is the world's busiest transshipment port, surpassing Hong Kong and Rotterdam. In terms of total cargo tonnage handled, it has become the world's second busiest, behind only the Port of Shanghai. Tourism industry is also thriving, attracting over 10 million visitors annually. With the city-state's zoo, a night safari, and a nature reserve. The country recently opened two of the world's most expensive integrated casino resorts in the Marina Bay Sands and the Resorts World Sentosa. They have become successful in medical tourism and culinary tourism giving credit to Singapore's cultural heritage and advanced medical technology.

After seven years of independence one quarter of the manufacturing firms were either foreign-owned or joint-venture companies, United States and Japan became major investors. Singapore's steady climate and favorable investment conditions led to rapid expansion of the Singapore's economy from 1965 to 1972. Gross domestic product (GDP) experienced annual double digit growth with the money generated from foreign investment.

Singapore began to focus on developing its resources and infrastructure. Many technical schools were set up and professional from international corporations were paid to train their unskilled workers in information technology, petro chemical and electrical. The government introduced labour intensive and untradeable services to those who could not get industrial jobs and the concept of having multinationals educate their workforce, paid great dividend for the country. The country moved from exporting textiles, garment and basic electronics to engaging in water fabrication, logistics biotech research, pharmaceutical, integrated circuit design and aerospace engineering.

The key success facts that lead to sustainability of growth

Singapore is regarded as a small densely populated country with no national resources, but yet registered as sustainable growth and development, which experienced success was built on four key areas, (a) sustainable economy (b) sustainable living environment (c) sustainable development for their people and international collaboration.

a. Sustainable Development Economy: Through economic growth they were able to generate resources to invest in education, research and development, security, infrastructure and public services. Due to unavailability of resources, Singapore needed to be resourceful to make a living for themselves, which included finding ways to create and add value producing goods and services that are in demand by others and also putting the resources in great use (Hean, 2017). This was achieved by integrated and long term planning to optimize resources, for example, budget, land, manpower, energy and more recently, Carbon emissions, to ensure sustainable growth.

The country had chosen to turn away very pollutive industries and took early action to switch to natural gas, the cleanest form of fossil fuel for power generation, making Singapore, 20 most carbon efficient countries of the world, in order to work towards achieving their commitment under the Paris agreement, they intensified their efforts towards the reduction of emission intensity by 36 percent from 2005 levels by 2030, and also by stabilizing emission with the aim of getting to the climax of their achievement. They initiated a plan to introduce carbon tax in 2019, to encourage the reduction of carbon emission and also to save cost while they raise energy efficiency, with the vision of moving towards a low-carbon society and to be a living laboratory for business agencies and research institutes to develop new products and services for the globally economy.

b. Sustainable living environment: The vision for a clean, green and sustainable Singapore was instilled in the sub-consciousness of every Singaporeans to see their country as a treasure that must be looked after, Resulting to a vast improvements in their housing, water, public health, and sanitation. They launched the public sector sustainability plan, which will improve sustainable practices, generate demand for green

products and services. This initiatives is to achieve a green and sustainable living environment for all Singaporeans.

c. Sustainable Development for People.

As a Country with no natural resources, they took their people with utmost importance and invest in them as the only resources they had. As Prime Minister GohChok Thong famously stated “the wealth of the nation lies in the people” (Yang, 2018).

They worked towards achieving mass education at primary, secondary and tertiary levels, with the vision to adopt mass continuing education for future work, and rapid technological advances that will change the nature of work and skills required.

Constant teaching and re-training on the skills and knowledge they have acquired through conventional pre-employment education, will keep them refreshed and updated for a working life of over forty years.

Skill future Singapore works closely with their association, unions and companies to support their workers, to deepen and refresh their skills at key point in their careers.

d. International Collaboration: In order to address global challenges on issues like trans boundary air pollution or pandemics, climate change, the attention of regional response, and contributions of all countries are required. Singapore has remained committed to a Paris Agreement and United Nations by giving support and provision for a framework to guide national efforts of achieving its 17 sustainable development goals in 2030Agenda for sustainable development. In regards to this development, they have trained more than 112,000 officials from over 170 developing countries in key areas such as sustainable urban water, and human resources management, health and education.

In the course of this, Singapore has benefited from many countries and as they develop and has agreed to share their sustainable development Policies and expertise through leadership seminar in policy making and workshops on urban governance in cities and water and sanitation projects.

The analysis of the core competencies of the country Singapore.

In one generation, Singapore became one of the Asians great success stories transforming itself from a developing country to a modern industrial economy.

There are major credit for this development and must be given to the effective implementation of soundly

- (a) Trade system
- (b) Strategic location
- (c) International banking and financial service sector
- (d) Electronic
- (e) precision engineering industry

Trade: Singapore's economy was centered on entrêpot trade (Hays, 2015) trade in which imported goods are re-exported with or without any additional processing or repackaging. Singapore's top three export and import commodities sections are machinery and transportation equipment, chemical and chemical product, and miscellaneous manufactured articles. In 2017, S\$967.1billion of goods were traded, an increase of 11.1% from the previous year. The city state is considered the world's 14th largest exporter and 17th largest importer. Having Australia, japan, china and United Kingdom as their primary exporter, and United States, Netherlands, china, Hong Kong and japan as their primary importer. In the 1970s, Singapore was primarily exporting textiles, garments, and basic electronics. By the 1990s, they were engaging in wafer fabrication, logistics, biotech research, pharmaceuticals, integrated circuit design, and aerospace engineering.

Strategic location: Singapore positions astride, one of the most important geostrategic location of the world. It is on the major sea route between India and china, an economic gateway between east and west as one of the world's most important trade routes- on the Malacca straits. It is the world's largest transshipment port. Singapore's port was transformed into a global league due to the decision made in 1969 to build Singapore's first container terminal in tanjongpagar, making them the first country in southeast Asia with a container port known to be the busiest and the most connected in the world and at the same time link to more than 130,000 ships call at Singapore.

International banking and financial sector: This is one of the fastest growing sector of the economy, having accounted for 25% of the country's GDP in the late 1980s. Singapore has served as the financial service center Southeast Asia and has been ranked one of the most important Asian financial centers. The banking industry grew and many assets formerly held in Switzerland was transferred to Singapore due to new taxes imposed by the Swiss.

II. Electronic Industry: Electronic Industry Is Seen As The Key Pillar Of Singapore's

Economy. It is been referred to the largest contributor to business expenditure for research and development as the second highest labour productivity in manufacturing industries. The industry is vibrant and had accounted for S\$90 billion, or over a quarter of Singapore's manufacturing GDP in 2017. There are over 2900 companies in the electronic industry with some fundamental activities in semiconductor, consumer electronics and information technology. Other viable areas like encryption technology, integrated circuit design, satellite communication and wireless technology are also part of the electronic industry. In 2016, the country exported more than US\$80 billion (S\$108 billion) worth of semiconductors and electronic integrated circuits to the world, declaring Singapore as a global trading and distribution hub for electronics and semiconductors. The export encompasses almost 10% of global electronics and semiconductors exports. The other opportunities of the electronics value chain are that range from research and development, design, manufacturing and distribution services. The Singapore government has a vision to grow the electronics industry sector to S\$22.2 billion and introduce over 2000 new professional managers, executives and technician job by 2020.

Precision engineering: This is one of the most important pillar of the Singapore economy, as an industry vertical as well as an enabler of the manufacturing sector, serving some vital industries such as oil & gas, marine and off shore electronic and medical technology and aerospace. There are two sector existing in the industry, first, the component OEM, this sub sector manufacture critical components such as laser, optics, motors, sensors, precision pumps and valves. Second, is the complex equipment sub sector, they manufacture semi-conductor test and measurement light emitting diode and additive manufacturing and machining tools. With the country's new advanced manufacturing areas, such as advanced robotics and automation, additive manufacturing, laser and optics sensors, advanced materials and digital manufacturing, the precision engineering industry is expected to grow and as well expecting to create 3000 PMET jobs by 2020.

Quality Leadership: undoubtedly the success of Singapore is attributed to nation's government. The credit goes to Lee Kuan Yew, the Singapore's first prime minister who engineers the city state's economy, by using globalization as an approach to Singapore out of bad times. The country's economy is based on strong morals of pragmatism, meritocracy and honesty. Immigrants were also embraced warmly and were given the opportunity to reap the benefits of the nation's economy. The leaders exhibited some core competencies by,

- (1) Recruiting the best and the brightest people into early government and sought to promote economic growth and job creation.
- (2) Labor intensive foreign manufacturing firms were attracted to provide jobs for its low-skilled workforce.
- (3) There is a shift to more skilled intensive manufacturing, led to an emphasis in technical field

III. Conclusion

The Singaporean's success has shown greatly, how a country with virtually no natural resources, could be transformed into a big a country that has created so much economic advantage, which is indeed an extraordinary success (Quah, 2018). These tremendous changes were due to effective public bureaucracy and pragmatic leadership of the first Prime Minister Lee Kuan Yew, an important legacy he created encapsulating the principles values and determination with which he governed and built Singapore. The practice of meritocracy in the civil service, politics, business and school led to the great success of the Singaporeans. The sustenance of clean of clean government and keeping corruption at bay contributed greatly. The development of its only resources, its people" (the Singaporean) in education, and nurturing the "best and brightest". There was a competitive salary for competent government official and civil servants both public and private sectors.

Entrépot and industrialization also contributed greatly, many MNCs from USA, Europe and Japan were attracted to invest in Singapore, which aided the development of Singapore's economy'. The introduction of business friendly laws, political stability and favorable economic climate attracted international investors. They went beyond their border to improve their industrial development.

IV. Recommendation

Many countries around the globe, are advised to apply Singapore's secrets of success to the solution of their problems.

We need good men to have good government policy to be established in our society, because bad leaders always bring harm to their people.

Countries should try and emulate and adopt some features of public administration Singapore style in solving their problems, provided that their political leaders, civil servants and population are prepared to make the changes.

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