

BACKGROUND

DIRECTIONAL EMPHASIS OF SECTOR

In order to achieve its economic growth targets, the Singapore government has realized its need to improve the overall productivity of Singapore's businesses. It is therefore actively promoting the consulting sector with particular emphasis on enhancing the efficiency of small and medium enterprises (SMEs) in Singapore.

The National Productivity Board (NPB) was established in 1972 to improve productivity through strategic training programs and management guidance and assistance. The Management Guidance Center of the NPB has a team of internal and external consultants whose expertise include industrial engineering techniques, systems designs and implementation in production/inventory planning and control, preventive maintenance, quality control (QC) systems and others. Another NPB program, the PROMIS scheme or the Productivity Managers in SMEs scheme is an extension of consultancy projects undertaken by NPB. Under this scheme, NPB senior officers or external consultants are attached to SME's as productivity managers on a part-time basis to carry out company-wide improvement programs.

Coupled with SME-development, the government is also promoting service sector exports. Targeted areas of needed expertise for export development include :

- Infrastructure development in areas where Singapore has gained a reputation (eg : public housing).
- Computerization, automation and productivity improvements in the commerce and manufacturing sector due to local economic conditions (eg : shrinking labor force and population growth).
- Introduction of advanced technology in EDP in the financial services sector.
- Market research feasibility studies and general consultancy work for international agencies like the Asian Development Bank.

Through the Economic Development Board (EDB), the government encourages foreign and local private sector participation. Today, a large number of prominent foreign accounting firms have established offices in Singapore catering to both local and foreign clients. Foreign management consultants which operate in Singapore include reputable names such as Arthur D Little, Booz Allen and Hamilton and SRI International. Foreign engineering sector consultants include Camp, Dresser and McKee and Bylander Meinhardt Partnership (local company which retains links with its overseas offices in UK and Australia).

ECONOMIC OVERVIEW

This report addresses two key practice areas within the consultancy market in Singapore : management consultancy and engineering consultancy. Management consultants offer a range of services in the areas of business strategy, production/industrial management, computerization, financial/management accounting and others. Engineering consultants provide services in the design and supervision of construction as well as in other specialized areas (eg : environment, recreation, landscaping and others).

Rapid growth of the industry can be seen through the increased presence of the major international consulting firms.