

Transcript of Speech delivered by Mr Tan Kiat How, Senior Minister of State, Ministry of Communications and Information, at the TechConnect Campus Roadshow: Launch of the Skills-Based Hiring Handbook and Employers' Pledge (24 Nov 2023)

Mr Peter Bithos, CEO, Asia, SEEK

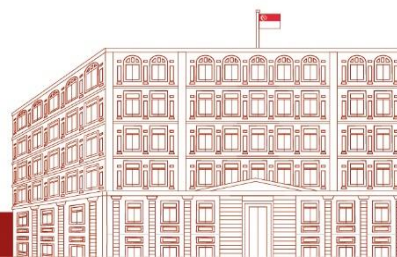
Mr Sam Liew, President, Singapore Computer Society

Mr Wong Wai Meng, Chair, SGTech

Mr Aslam Sardar, CEO, Institute for Human Resource Professionals

Students, Ladies and Gentlemen

1. Good afternoon.
2. It is my pleasure to be here for the Tech Connect Campus Roadshow, and to launch the skills-based hiring handbook.
3. Technology is evolving at a rapid pace, continually reshaping the tech industry, and demanding a constantly evolving skill set from tech professionals. Take myself as an example. I graduated with a computer science degree more than twenty years ago, and the skills I learnt back then have been largely overtaken by new ones today.
4. So, what does this mean for students who are here with us this afternoon? We need to recognise that while what we learn in school lays the foundation for entering the workforce, there is no substitute for gaining valuable experience from learning on-the-job. This is because the only way to apply the skills learned in the classrooms would be through the application of it while working on an actual project.
5. Take Mr Bryan Koh for example. He is a third-year student from Ngee Ann Polytechnic who secured an internship with OCBC Group Engineering. He worked as a Full Stack Developer, managing backend operations to debug reported issues, and creating new API endpoints to deliver new features. This experience allowed him to put what he learnt into practical use, and I believe it will go a long way for his career.
6. Another example is Clarence Tan, who joined ST Engineering after graduating from Temasek Polytechnic. He chose to join as an apprentice instead of immediately pursuing higher education to improve his domain knowledge in cybersecurity. He is currently pursuing industry certifications in networking and cybersecurity, and is keen to further his studies in the future.
7. I would like to encourage you to make use of today's roadshow to better understand the various internship programmes and job opportunities available, and explore the opportunities to apply what you learn in school.



8. Organisations are acutely aware that it is increasingly difficult to find, attract and retain tech talent – perhaps that is a key reason you are here today, to find the right talent for the job!

9. According to IMDA's Singapore Digital Economy Report published recently, Singapore's Digital Economy amounted to S\$106 billion in 2022, equivalent to 17.3% of Singapore's GDP, which is an increase from 13% in 2017. The expansion of the digital economy has come on the back of increasing adoption of digital technologies by enterprises, which in turn contributed to the robust growth of tech manpower. The number of tech professionals has increased from around 155,500 in 2017 to 201,100 in 2022, driven by demand across all the sectors.

10. With broad-based digitalisation picking up momentum, the increased competition for tech talent comes from almost all sectors such as finance, healthcare, manufacturing, and logistics.

11. For example, companies like HSBC Singapore, SungreenH2 and YCH Group are looking to hire roles such as product managers, data scientists and IT specialists.

12. The Government has made concerted efforts to build a stable pipeline of tech talent. We have increased the local intake of Information and Digital Technologies (IDT) courses across our universities, polytechnics, and ITE. The share of IDT tertiary students grew from 11% to 16% over the last 5 years.

13. Particularly, we have more than doubled the local intake of IDT places for our university students, from 1,600 in 2017, to 3,600 in 2022. The proportion of IDT university places grew from 10% to 21% over the last 5 years).

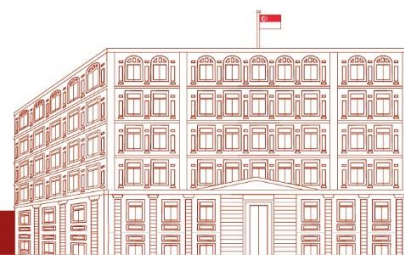
14. However, it is clear that a collective effort is needed. This is why the Government has been working with industry and businesses in several ways.

15. National initiatives such as IMDA's TechSkills Accelerator (or TeSA) has helped to upskill approximately 15,000 locals who have successfully secured rewarding tech employment opportunities. This is done in close partnership with companies, through TeSA place-and-train programmes such as company-led training.

16. We also support our workforce in continuing education and training, with opportunities to acquire tech skills for jobs in demand. Specifically for Poly and ITE students, we have formed the TIP Alliance, an initiative where IMDA and industry partners come together to equip graduates from our polys and ITE with skills to take up tech job opportunities.

17. In addition to these schemes and programmes that Government has implemented with our industry partners, companies too can expand the pool of talent that you draw from.

18. Traditionally, employers have relied on academic qualifications to determine a candidate's suitability for a job. However, this approach has its limitations.



19. Academic qualifications do not always reflect a candidate's current abilities, given that the half-life of tech skills grows shorter by the day. Further, focusing on academic qualifications limits the pool of potential talent. There are diverse means to acquire tech skillsets today, from open-source programmes to community-led initiatives.

20. Companies therefore need to move beyond just focusing on academic qualifications. The skills-first hiring approach, where a person's suitability for a job role is assessed based on their skills and competencies, rather than their formal academic qualifications, job history, or job title, can greatly expand the pool of potential hires. According to the World Economic Forum, this approach could add more than 100 million people to the global talent pool across 18 economies.

21. Skills-based hiring benefits companies, workers and the economy. Companies can tap a wider pool of talent and find a candidate with the necessary skills for the job. Job seekers will be assessed based on their tech skills and potential, regardless of their background or previous work experience.

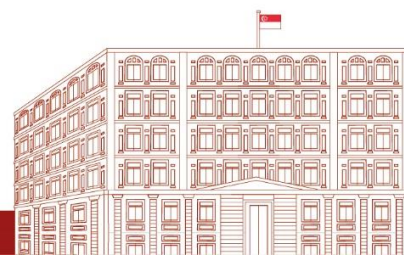
22. To support companies adopt such an approach, I am pleased to announce the launch of our new Skills-Based Hiring Handbook for Tech Roles, which aims to promote skills-based hiring practices among employers and job seekers. This is part of the efforts from IMDA and TIP Alliance, to partner with IHRP to jointly develop the Skills-Based Hiring Handbook with valuable inputs on industry views and case studies contributed by the member companies of the TIP Alliance.

23. The Skills-Based Hiring Handbook provides practical guidance and best practices for employers to attract, assess, and develop tech talent based on skills and competencies. Progressive companies have already committed to such a hiring approach. Take Accenture for example. They adopted a rigorous multi-stage assessment focusing on skills, competencies, and growth potential, which proved to reduce Time-to-Hire by 75%, and increased quality talent pipelines by 40%.

24. Another example is Inspire-Tech, which faced several limitations in hiring. Their hiring managers started to prioritise candidates who showed that they are eager to learn, adapt, and thrive in the fast-paced tech landscape, instead of just looking at their formal academic qualifications. Through personalised on-the-job training and a career conversion programme, Inspire-Tech ensured the candidate's seamless transition. This helped to create a better company culture, with staff that are eager-to-learn, have positive mindsets, which boosted team dynamics and retention rates.

25. In addition to the Handbook, we are also introducing an “Employer’s Pledge”. This pledge will be undertaken by employers committed to adopting skills-based hiring practices for tech roles.

26. Prior to today’s launch, more than 100 companies, such as Accredify, Paypal, HSBC and Cisco, have already signed on to the pledge. Thank you for this strong signal of industry support and demonstration of the commitment to adopting skills-based hiring practices.



27. I look forward to seeing more companies coming forward to commit to the pledge, and to put their pledges into action.

28. The skills-based hiring approach is in line with the shifts that we are making for Forward SG, to embrace learning beyond grades, creating diverse pathways of success, so that people's potentials can be maximised, creating good & fulfilling jobs, and to grow together as a people.

29. In conclusion, I would like to leave you with a quote from Alvin Toffler, "The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn."

30. Let us all strive to be leaders in the tech industry by constantly upskilling ourselves, developing new skills, and embracing new ideas and technologies. By working together, companies, individuals, schools & the government, we can create many exciting job roles and opportunities for ourselves and for Singapore.

31. I think back on 25 years ago, when I went to school where you are sitting today, thinking about a career in tech and opportunities in a new space. We did not have our smartphones and social media, and the Internet was just starting. But look where we are today, with exciting opportunities and new jobs that we have never heard of before.

32. UI, UX, and generative AI developers are creating new business models and exciting careers. I am sure the future will be brighter, but how do we seize these opportunities? I believe we can do so by working together. The ecosystem here in Singapore is unique, where it is not just the government but also the private sector, individuals, and institutes of higher learning all coming together to work hand-in-hand to create those opportunities and diverse pathways.

33. So, I wish all of you a wonderful session later, to look at job opportunities and seize the opportunities ahead of you.

34. Thank you very much.

