

## National Business Survey 2016/2017

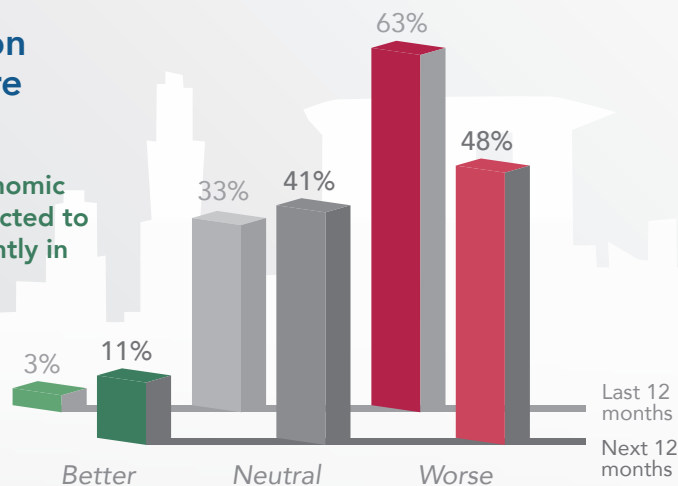
The Singapore Business Federation (SBF) commissioned local research agency, Blackbox Research, to conduct its National Business Survey 2016/2017.

- > The survey collected views from over 1,100 members (1,131) across all major industries from 10 October to 23 November 2016.
- > This was the 9<sup>th</sup> annual survey conducted by SBF.

# Outlook: Businesses expect rough waters in 2017

### Sentiments on the Singapore Economy

Business and Economic Outlook not Expected to Improve Significantly in 2017



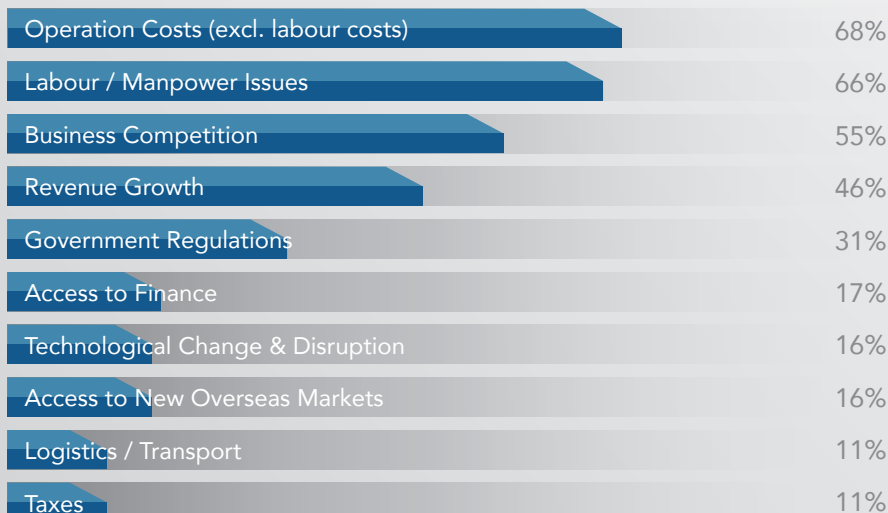
Base = 1,131

The overall climate for businesses has been difficult over the past year with nearly two thirds (63%) saying that the economic climate got worse in 2016.

Nearly half (48%) believe that 2017 will be even worse.

Operating costs and manpower issues remain the biggest challenge. Key manpower issues faced are rising costs, manpower rules and regulations, and attracting and retaining younger workers.

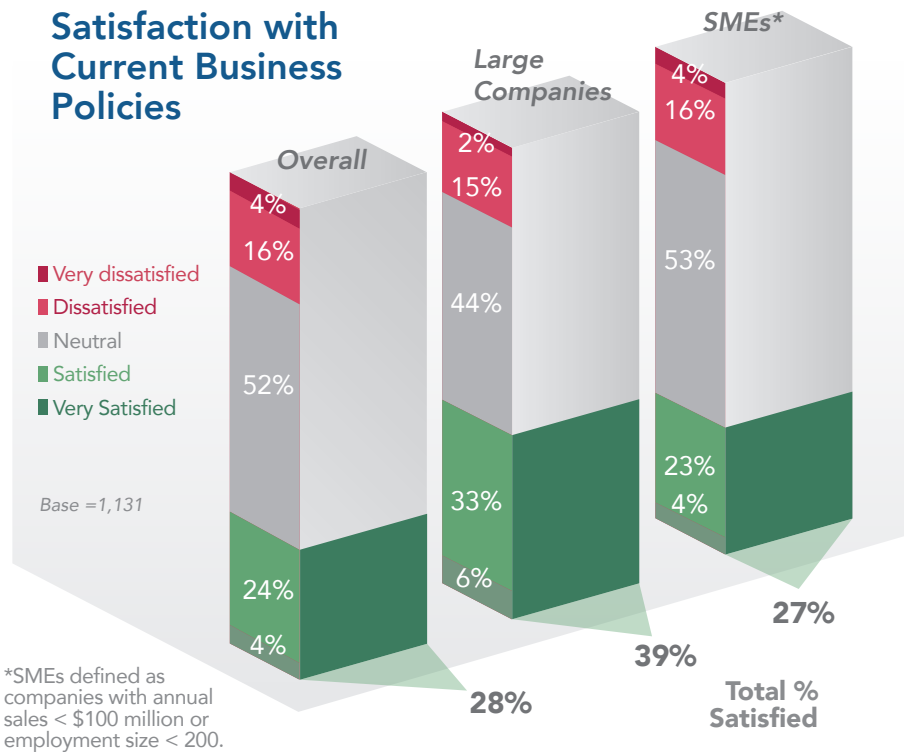
### Key Challenges Faced by Businesses When Operating in Singapore



Base = 1,130

# Businesses are critical of Government policies – measures not sufficient to weather the worsening conditions

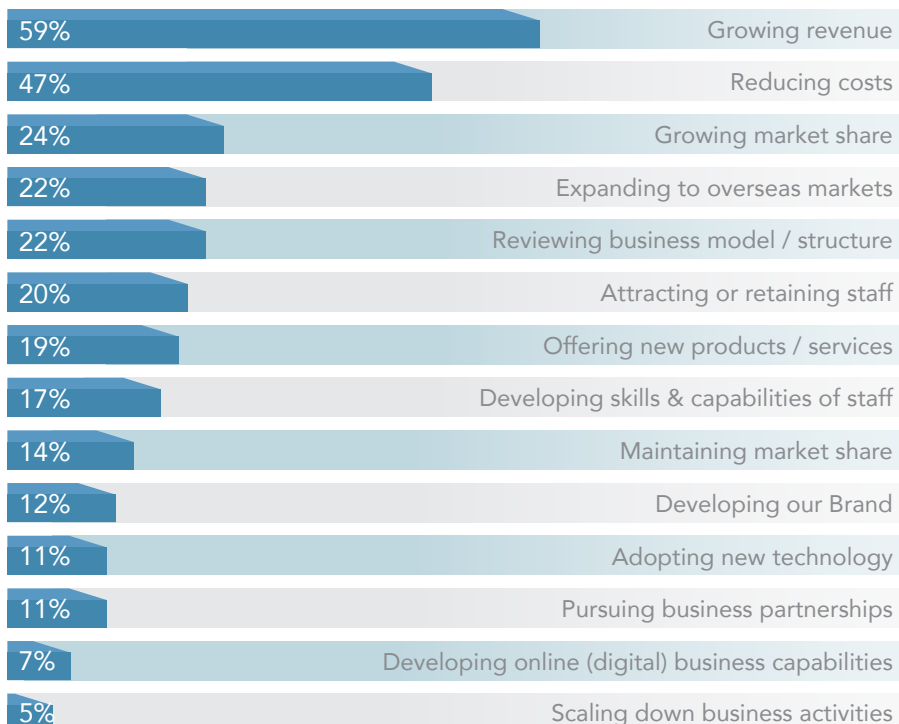
## Overall Satisfaction with Current Business Policies



Businesses also appear to be looking for more help from the Government. Only 28% express satisfaction with current business policies. This is lower amongst SMEs (only 27% satisfaction compared to 39% among large companies).

The focus over the next 12 months is revenue growth and cost reduction. Support measures to help counteract the worsening economic conditions should be the Government's main objective when helping businesses in the short to medium term.

## Focus of Businesses over the Next 12 Months

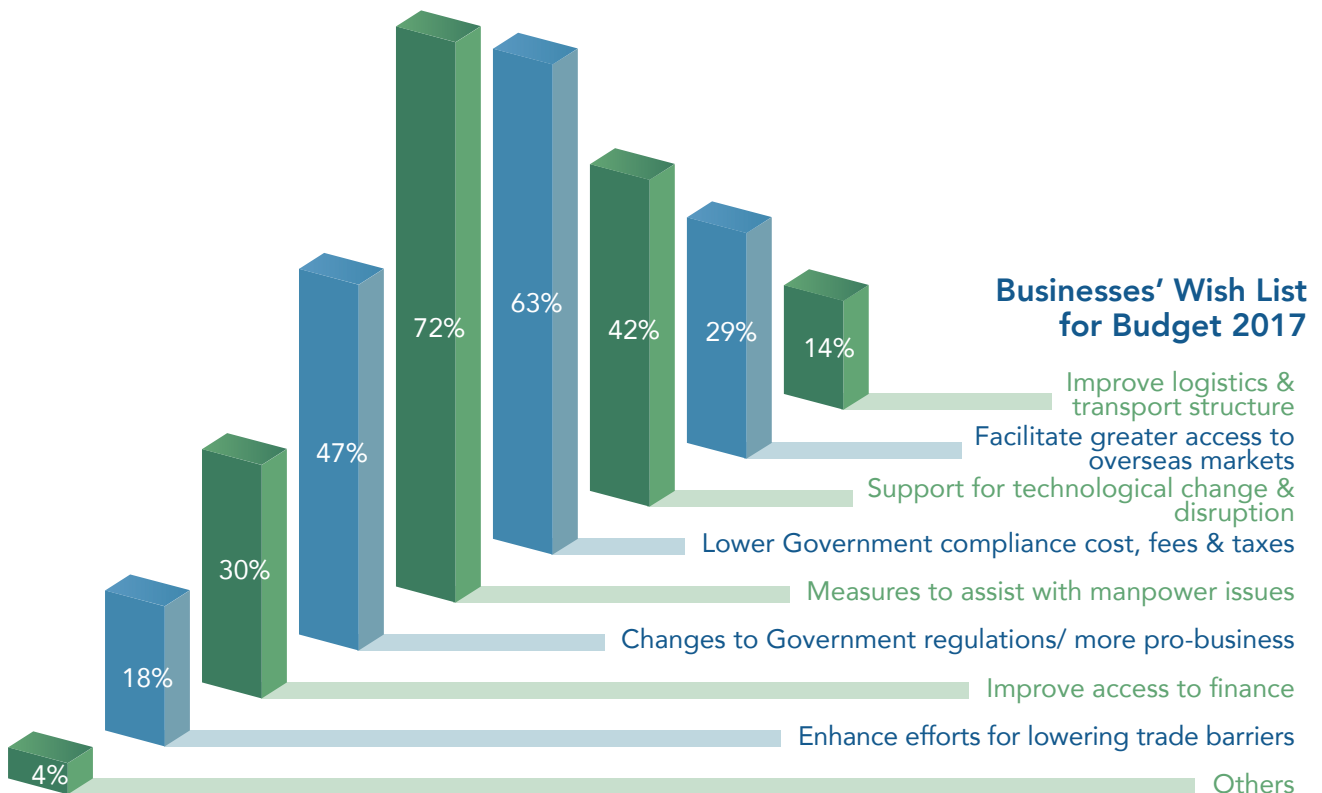
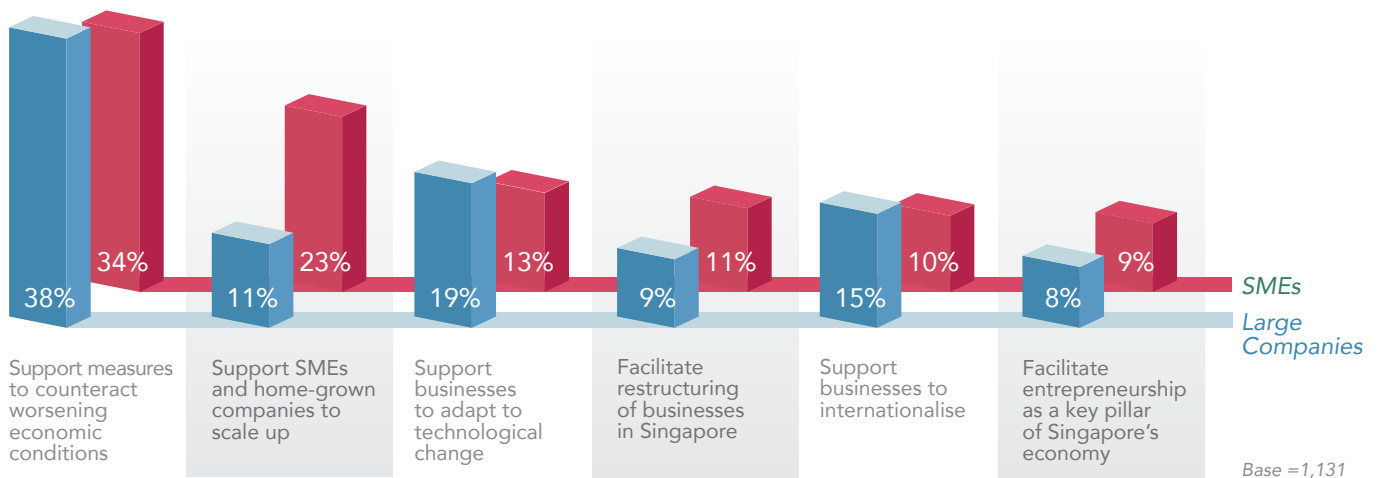


Base = 1,125

Not surprisingly, measures to assist with manpower issues and lower Government compliance costs top business priorities for the Government's 2017 Budget.

# Businesses are critical of Government policies – measures not sufficient to weather the worsening conditions

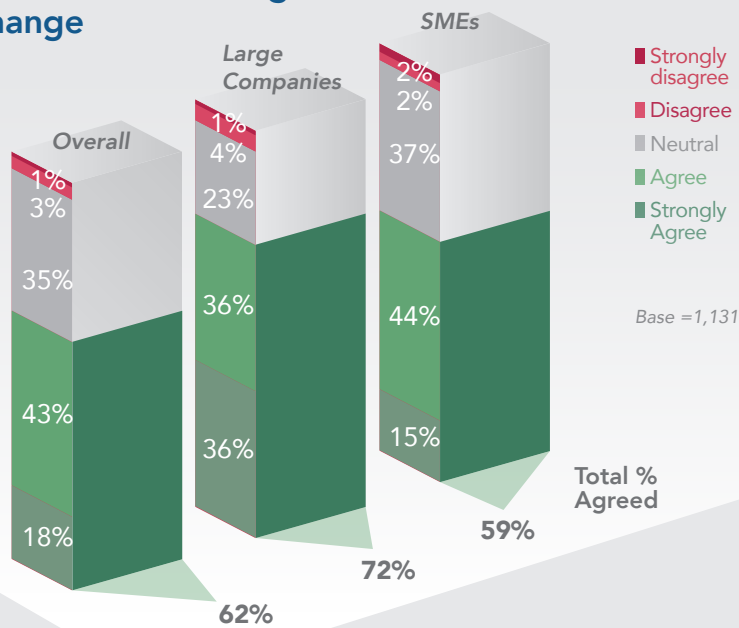
## Businesses' View of What Should be the Government's Main Objective When Designing Economic Policies to Help in the Short to Medium Term



Base = 1,131

# Business not yet embracing the push for economic transformation

## Extent to Which Businesses Agree that They have to Transform to Adapt to Slowing Economic Growth & Technological Change

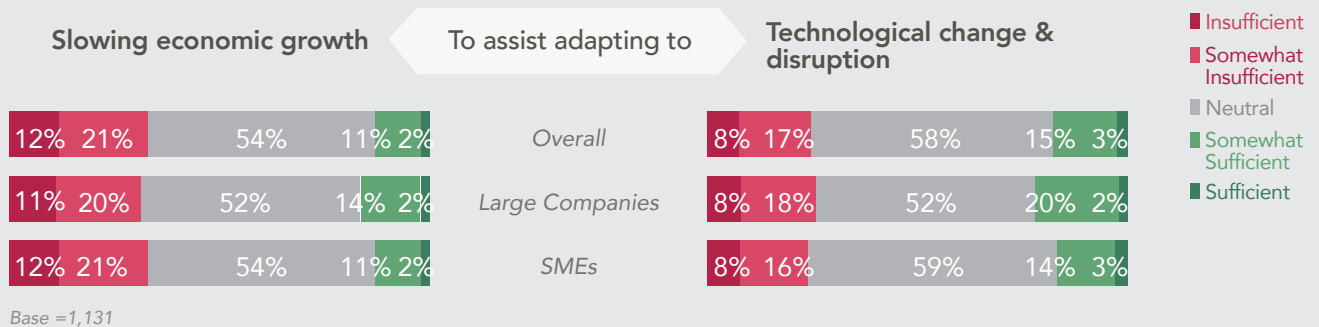


Overall, just slightly more than 62% of businesses agree that there is a need for companies to transform. The Government's message for businesses to embrace economic transformation is met with mixed enthusiasm. Among SMEs, only 15% strongly agree with the need to transform to counter the slowing economic growth as well as technological change. 36% of large companies strongly agree.

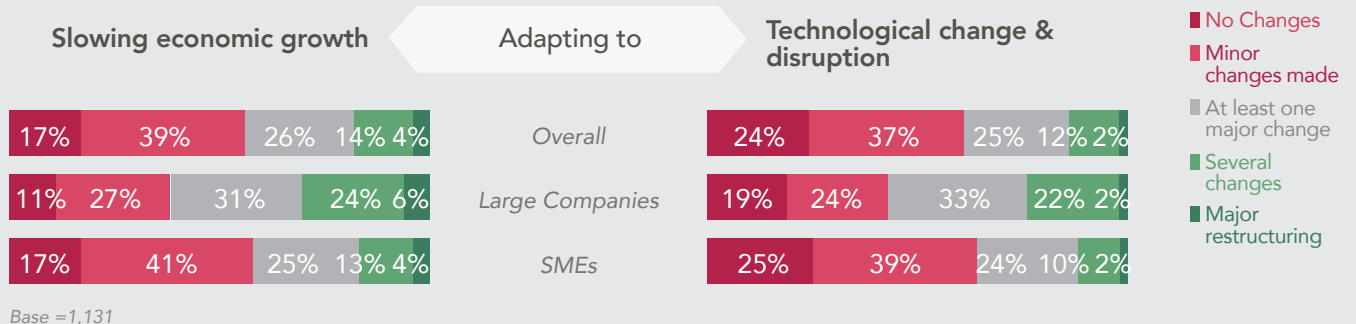
Only 13% and 18% of businesses feel that sufficient steps have been taken by the Government to assist them in adapting to the slowing economic growth and technological change and disruption respectively. Majority are neutral.

In terms of adapting to change, SMEs are much less prepared compared to large companies.

## How Businesses Would Describe the Steps Taken by the Government



## 6 in 10 SMEs Have Not Made Significant Adjustments Yet

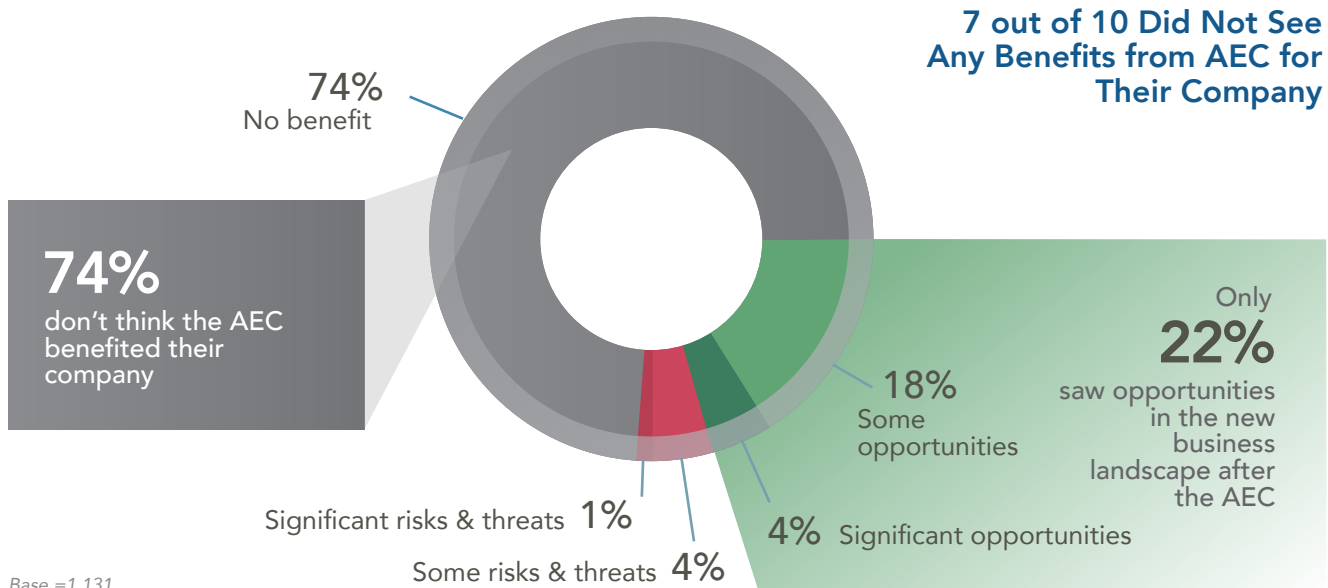
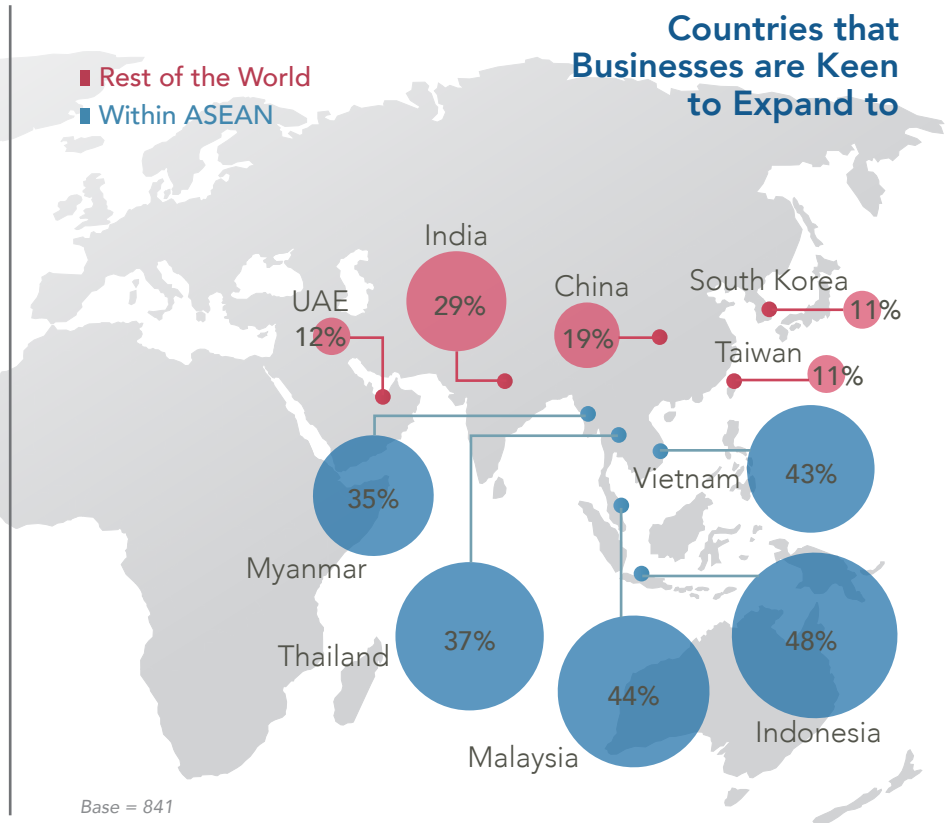


Percentages for the above two graphs do not add up to 100% due to rounding.

# International expansion: businesses keen to expand, but the lack of good know-how is a major barrier

ASEAN is the preferred region for overseas expansion, but only 22% of businesses have identified specific opportunities since the launch of the ASEAN Economic Community (AEC).

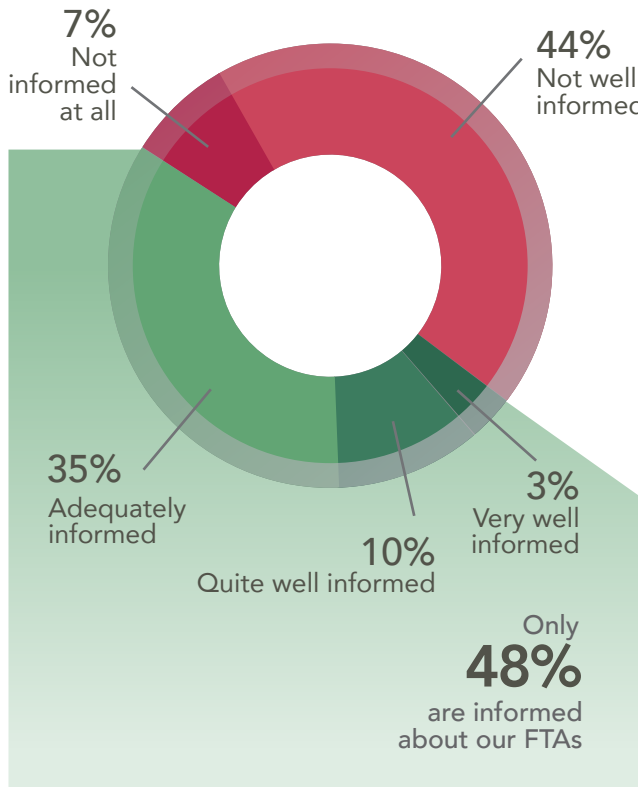
Only one in five (21%) businesses claim to have benefitted from our Free Trade Agreements (FTAs), while over half (52%) feel less well informed about the benefits of our FTAs.



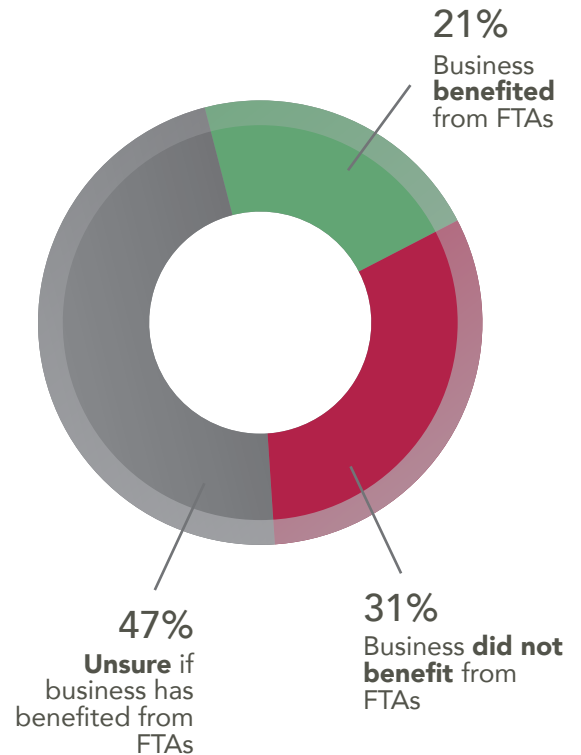
Percentages do not add up to 100% due to rounding

# International expansion: businesses keen to expand, but the lack of good know-how is a major barrier

## Lack of Awareness on FTA Benefits across the Board



Base = 885



Percentages do not add up to 100% due to rounding

Survey conducted by:  
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In collaboration with:  
Blackbox Research



If you need any clarifications, kindly contact [Research@sbf.org.sg](mailto:Research@sbf.org.sg).