

Factsheet on the Logistics IDP**LAUNCH OF THE REFRESHED LOGISTICS INDUSTRY DIGITAL PLAN****Background**

Singapore's Logistics sector is a critical enabler of our economy and our everyday life. It connects suppliers to manufacturers and merchants to consumers, both domestically and overseas. In 2018, the Logistics sector contributed to 1.4% of Singapore's GDP and employed 2.3% of Singapore's workforce¹.

Logistics Industry Digital Plan

Aligned to the Logistics Industry Transformation Map (ITM), the Logistics Industry Digital Plan (IDP) is part of the SMEs Go Digital programme that aims to make going digital simple for SMEs. It guides SMEs on their digital transformation efforts, providing an easy-to-use, step-by-step guide on the digital solutions to adopt at each stage of their growth.

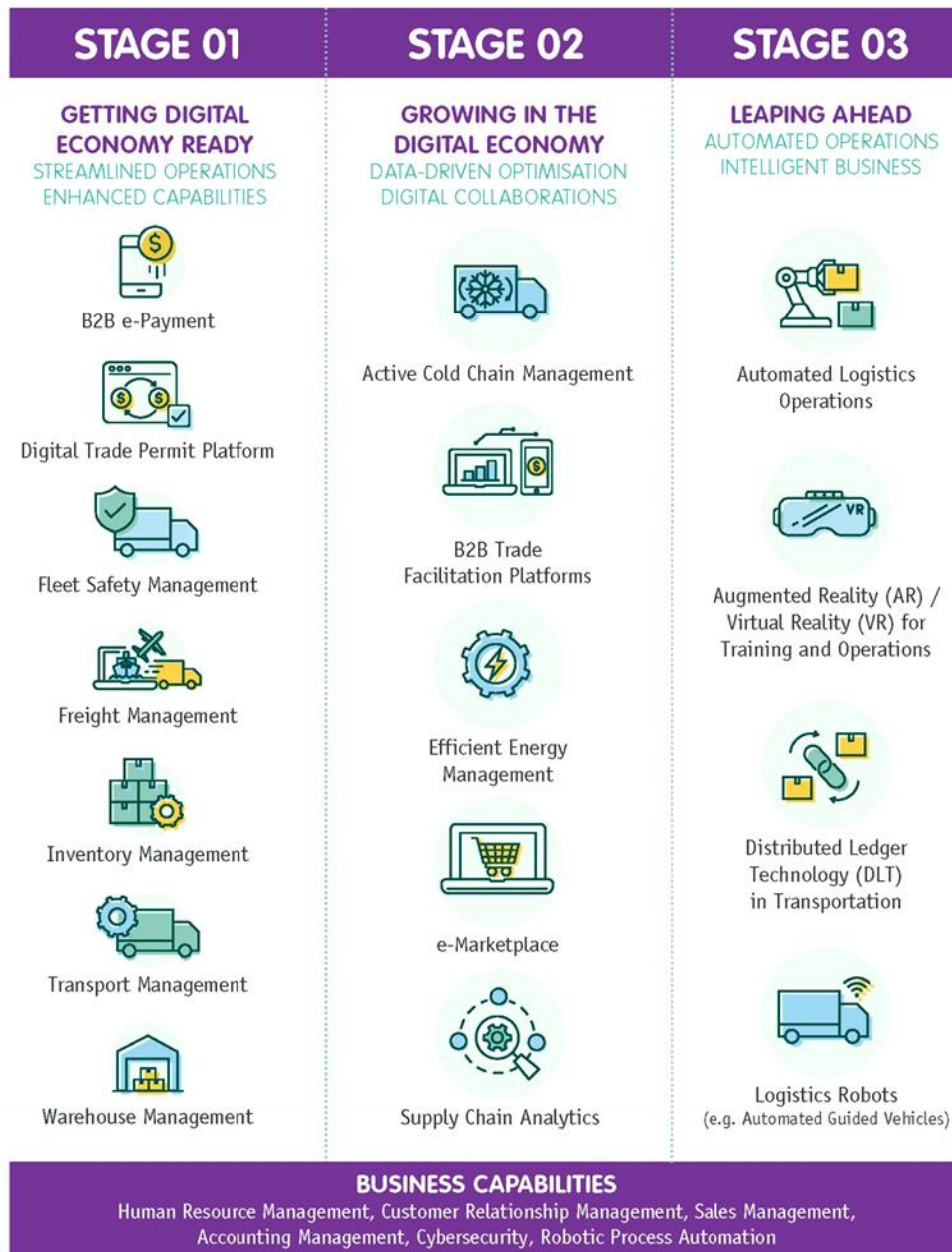
This refreshed Logistics IDP builds on the one launched in 2017, taking into account the current and anticipated future needs of companies in the Logistics industry. This is a joint effort by the Infocomm Media Development Authority ('IMDA'), in partnership with Enterprise Singapore ('ESG') and the industry (including enterprises and partners).

The IDP will continue to be updated over time as the industry progresses, and newer, more relevant technologies are introduced.

Components of the Logistics IDP**1. Digital Roadmap**

The three-stage digital roadmap of the IDP charts out the digital solutions that enterprises in the logistics industry can adopt at each stage of their growth to support their digital journey.

¹ Source: DOS, MOM

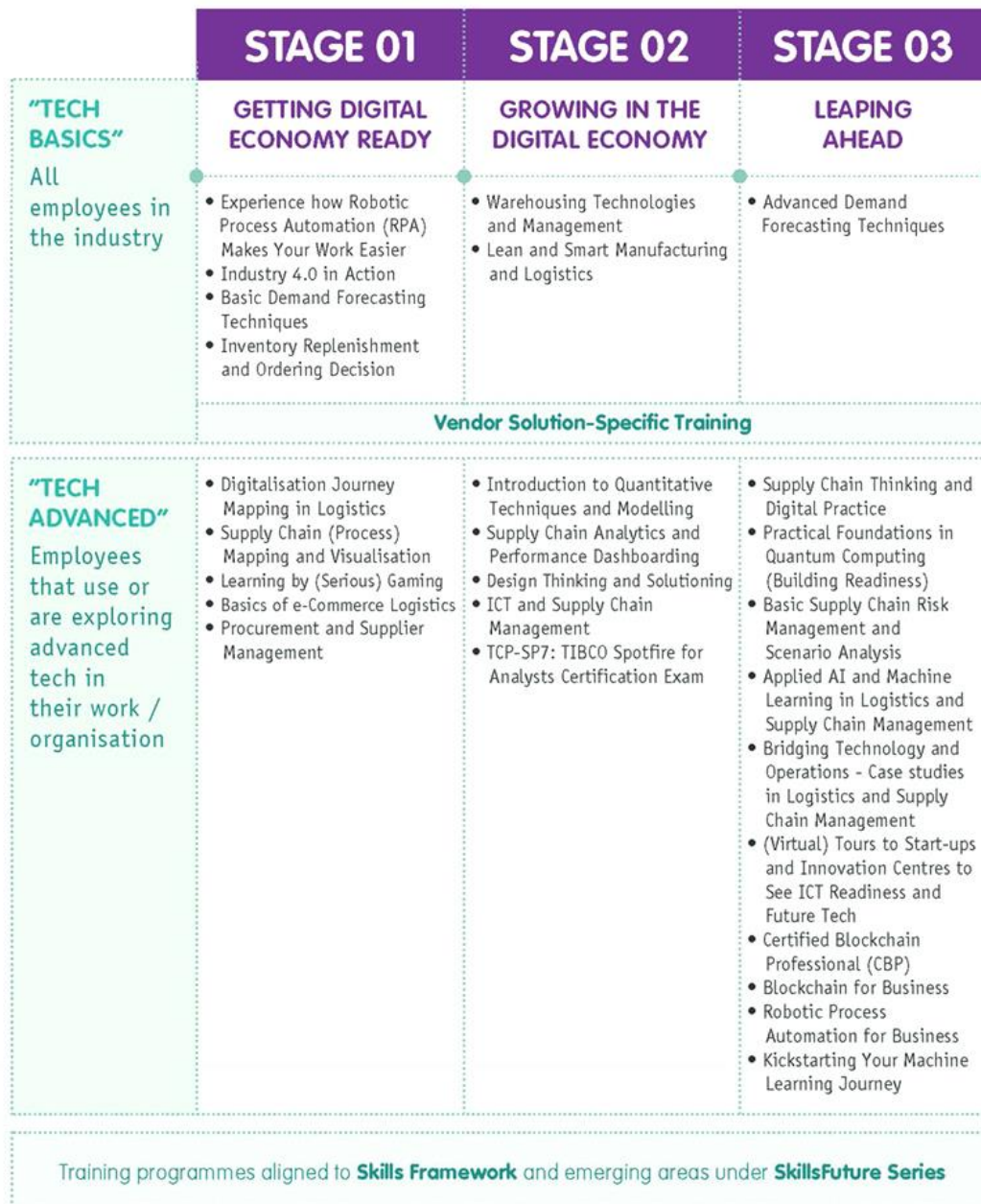


- a. **Stage 1: Getting Digital Economy Ready.** The initial stage aims to help SMEs get ready for the digital economy and lists the basic solutions to kick start their digital journey, optimise operations and channel digitalised resources into providing higher-value work. The objective is to achieve streamlined operations and enhanced capabilities.
- b. **Stage 2: Growing in the Digital Economy.** The second stage highlights digital solutions that enable SMEs to participate in digital ecosystems to maximise resources and open access to new markets. The objective is to increase data-driven optimisations and digital collaborations.

- c. **Stage 3: Leaping Ahead.** The third stage identifies advanced digital technologies that SMEs can make use of to extend their services and products offerings. The objective is to achieve automated operations and intelligent business.

2. Digital Training Roadmap

The IDP also includes a Digital Training Roadmap to guide the industry in preparing their workforce with the necessary skills to adopt digital solutions, so that they are ready for changes that come with digital transformation.



3. Online self-assessment checklist

SMEs can use the online self-assessment checklist to assess their digital readiness and identify opportunities to go digital based on their current business operations, level of digitalisation and business expansion plans. For more information, visit www.imda.gov.sg/SMEsGoDigital.

4. Tapping expertise of partners

- a. SMEs can reach out to the **Centre of Innovation for Supply Chain Management (COI-SCM) at Republic Polytechnic** to develop and strengthen supply chain and logistics capabilities through process innovation, technology enablement and capability development.
- b. For a review of their business, SMEs can approach **Business Advisors at their nearest SME Centre²** for business diagnosis and advisory on digital solutions relevant to their operations. SMEs that require specialist consultancy on sophisticated technologies, such as data analytics and cybersecurity, can engage **Principal Consultants at the SME Digital Tech Hub³**. These digital consultancy services are provided at no cost to SMEs.
- c. SMEs can also engage **Project Management Services⁴** from a ready pool of skilled digital project managers, at subsidised fees, to help with implementing their digital solutions. This can include the review of business processes and job redesign so that SMEs can realise the full benefits of going digital.

5. Pre-Approved Solutions

To make it easy for SMEs to adopt digital solutions recommended in the Logistics IDP, IMDA provides a list of pre-approved solutions assessed to be market-proven, cost-effective and supported by reliable vendors. SMEs can visit GoBusiness Gov Assist (<https://govassist.gobusiness.gov.sg/productivity-solutions-grant/>) for the contact information of the pre-approved solution providers. If funding support is required, SMEs can apply for the Productivity Solutions Grant (PSG) on the Business Grants portal, before purchasing and implementing digital solutions.

² List of SME Centres can be found at www.smeportal.sg/smecentres.

³ For more information, please refer to www.digitaltechhub.sg.

⁴ For more information, please refer to the SMF webpage [here](#).

SMEs can also participate in digital sector projects that are initiated jointly by IMDA and industry leaders. Such projects pilot new digital solutions or platforms that have the potential to uplift the whole sector.

6. Start Digital

SMEs that just started their business or are new to digital technology can tap on the Start Digital Pack for a head start in going digital. The initiative aims to help new SMEs start their business right with foundational and competitively-priced digital solutions. These solutions cover: Accounting, Human Resources Management & Payroll, Digital Marketing, Digital Transactions and Cybersecurity. SMEs can take up any two solutions and receive cost waivers for at least six months when they sign up for a minimum 18-month contract. The solutions are pre-approved by IMDA and offered by Start Digital Partners like DBS, M1, Maybank, OCBC, Singtel and UOB. More information available here: www.imda.gov.sg/startdigital

Factsheet on IM Holdings

1. Established in 1999, IM Holdings started as a freight forwarding company. Today, the company has grown to a strength of over 100 employees, providing warehouse and inventory management services. The company has offices in Malaysia, Indonesia, Vietnam, Myanmar, Cambodia, and Brunei, and strong business networks in China, Japan, Hong Kong, Australia and USA.

Digitalisation efforts

2. IM Holdings, is one of many local logistics players that have benefitted from digitalisation, having embarked on its digitalisation journey in 2016. The company adopted order management, warehouse management, and transport management systems to support and optimise key logistics operations such as pick-pack and last-mile fulfilment. For example, with a warehouse management system in place, the company was able to improve inventory accuracy by 40% and reduce overstock or stock-out situation for its customers.
3. During the Circuit Breaker period when e-commerce orders surged, IM Holdings was able to pick and pack approximately 450 more orders daily while tapping existing manpower. The company was also able to diversify its services to support the healthcare industry during this period. IM Holdings partnered private and public healthcare groups to provide medicine collection and delivery to patients. This service was facilitated with its transport management system, which provides visibility through real-time tracking.
4. IM Holdings collaborated with the COI-SCM to facilitate its Distribution Centre Reference Model (DCRM) study in 2018. The DCRM studies warehouse operations by tracking every work task and assesses how efficiently the warehouse is being operated. Performance and quality indicators are collected, analysed and benchmarked against the pool of data points from local companies. Through the study, IM Holdings identified five potential areas for improvement. One recommendation was to review its picking strategy with three action plans recommended by the COI-SCM. At the end of the study, IM Holdings was able to reduce the pick time by 30%.
5. These systems not only helped with process efficiency, but also supported efforts to diversify and grow amid challenging period.

Upskilling of workers

6. Job roles also evolved as the company embarked on digitalisation efforts. For example, employee Mr See Kai Lun, started out as a supervisor at IM Holdings. He monitored the performance of the warehouse team and supervised general warehouse operations such as shipping and receiving deliveries, monitoring stock checks, documenting warehouse transactions and records, and quality control. Today, his job role has been redesigned to include providing data-driven feedback to enhance operations. He uses a digital system to monitor inventory levels, warehouse performance and cargo inspection.
7. Middle managers, like Mr See Kai Lun, who have benefitted from training, also provide periodic system and on-the-job training to the rest of the operations team. This ensures all employees are proficient with the IT systems adopted by the company.
8. As IM Holdings' expand and grow, its logistics operations are becoming more complex. The company understands the importance of automation to enhance productivity and is presently exploring a Goods-to-Man automation solution to enhance warehouse productivity to support e-commerce fulfilment.