

DIGITALISATION will play an important role in helping SMEs survive in these challenging times while aiding economic recovery efforts.

"We are facing a combination of challenges at the moment, including on the economic, pandemic and political fronts. This is an unprecedented time and we need to think outside of the box to overcome them. Businesses cannot solve their problems with precedent methods.

"So digitalisation will be very

## SME survival lies in digitalisation

important for SMEs to survive and for us to rebuild the economy," says Malaysia Digital Economy Corporation (MDEC) chairman Datuk Wira Dr Rais Hussin Mohamed Ariff at the SME Digital Summit organised by MDEC earlier this week.

He adds that digitalisation has become a very real aspect of life and companies will need to change

their approach to remain relevant.

He points to a study by McKinsey which stated that between 400 million and 800 million individuals could be displaced by automation and will need to find new jobs by 2030 around the world.

While Covid-19 has accelerated companies' adoption of e-commerce and acceptance of digital technology, they have yet to look at

the full scope of digitising their business.

"Companies may have an online presence for retail but many still don't have a structured thinking of digitalisation for their organisations," Rais says.

Meanwhile, EY Asean consulting leader Chow Sang Hoe says while businesses suffered during the movement control order, those who

could offer their products and services digitally were clear winners.

"To fully benefit from digitalisation, companies will need to change their mindsets and see digital as a way to increase their income and improve product and services offerings.

"They will also need to help their workers upskill and be bold to take the first step in that digitalisation journey. The government has already put in the efforts and the initiatives. Now, it is time for us to take that first step," says Chow.