Capstone Project

Disruptive Capital Ecosystem in the

SME Capital Consultancy Industry

Table of Contents

Introduction

PIF was started since 2016, serving the small-medium enterprises (SMEs) to fast-track their business growth through empowering them with the know-how and resources to leverage on equity in exchange for:

- Capital injection through angel fundraising,
- Profit acceleration through inorganic acquisition,
- Talent attraction and acquisition through equity options,
- Bridge to the secondary market through initial public offering (IPO).

Towards our clients, we have been defined by our unwavering dedication to client-centric values, unwavering desire to foresee and adapt to the changing needs of the VUCA (Vulnerable Uncertain Complex Ambiguous) landscape. The main aim of this proposal is to disrupt how we do business by riding on the capital trend while abiding by the vision of the company to be Asia's Silicon Valley, through:

1. Focus on expanding various types of partnerships to accelerate the growth of sales and manage partnerships through digital transformation
2. Consider the next trend of fundraising i.e. token fundraising
3. Organizational enhancement of human capital, ready for expansion

PARTNERSHIP-LED GROWTH OF SALES

Let us take Starbucks as a reference. Starbucks has established various types of partnerships to grow their sales and these partnerships can be categorized into:

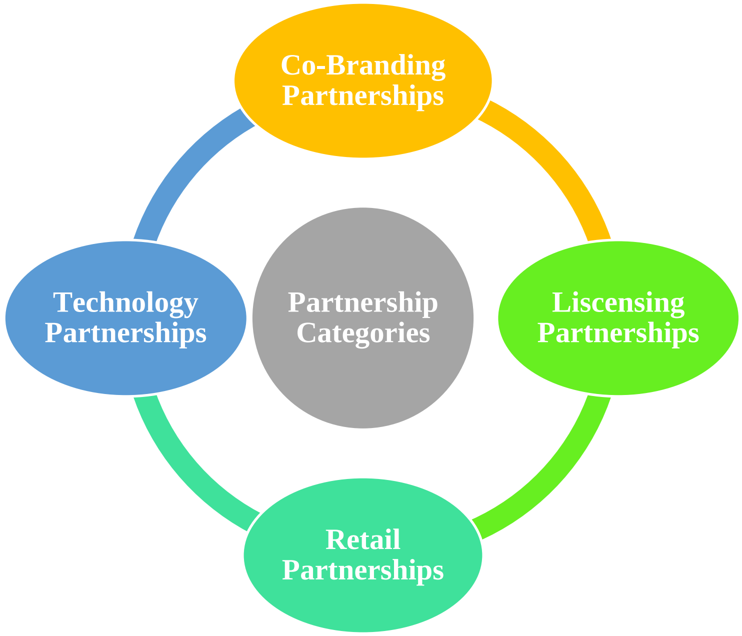


Figure 1: Framework of different categories of partnership

a) Co-branding Partnerships: Starbucks collaborated with renowned brands to create co-branded products. For example, they partnered with PepsiCo in 1994 to launch Starbucks-branded bottled Frappuccinos and ready-to-drink (RTD) coffee beverages. This partnership was so successful that after a decade, RTD coffee beverages had grown to a USD 1.5 billion retail business in 2015 (Pepsico, 2015). This success is not only staggering but also sustainable, with the partnership now being responsible for 80% of sales in the RTD coffee category, according to IRI data cited by Starbucks (Informa, 2022).

b) Licensing Partnerships: Starbucks does not provide franchise opportunities but licensing opportunities where they grant the right to other companies to operate Starbucks stores with a licensing fee of USD 315,000 and proof of liquid funds of USD 700,000 to support the business. In 2022, Starbucks had 17,458 licensed stores compared to 18,253 company-operated stores (Cuofano, 2023). This strategy helps Starbucks to rapidly expand its presence even in markets not as accessible to them such as Japan, South Korea, and China.

c) Retail Partnerships: Starbucks has also entered into retail partnerships with other companies. One notable partnership is with Barnes & Noble, where Starbucks operates cafes within their bookstores. This helps Starbucks reach a wider client base by capitalizing on the foot traffic generated by these retail partners.

d) <u>Technology Partnerships</u>: Starbucks has collaborated with technology companies to enhance their mobile app and digital offerings. For example, they partnered with Spotify to integrate their music platform into the Starbucks app, creating a personalized music experience for clients. This type of partnership enhances the client experience and drives digital engagement.

The partnerships established by Starbucks have had a positive impact on their sales growth. By leveraging these partnerships, Starbucks has been able to:

a) <u>Reach new markets</u>: Through licensing partnerships, Starbucks has expanded its global footprint, enabling them to tap into new markets and increase their client base. This expansion has contributed to their overall sales growth.
b) <u>Increase brand visibility</u>: Co-branding partnerships have helped Starbucks enhance brand visibility by leveraging the popularity and reach of partner brands. This has attracted new clients and increased sales, particularly in the packaged beverages segment.

Starbucks has also employed several innovative strategies in their partnerships to further drive sales growth. Some of these strategies include:

a) <u>Customization and personalization of client experience</u>: Starbucks has focused on personalizing the client experience through partnerships. For example, their partnership with Spotify allowed clients to create personalized playlists within the Starbucks app, creating a unique and tailored experience. Through the app, clients can also order ahead of time, pay digitally and accumulate stars to redeem free products through the app. This not only allows for Starbucks to have a digital touch-point with their clients and convenience the entire client journey, but also enables data collection for Starbucks to analyze clients' preferences and provide personalized offers. As such, Starbucks was listed as #4 for Best Client Experience in the 2011 Global Client Experience Management Survey (National Business Research Institute, 2023).

b) <u>Digital integration</u>: Starbucks has leveraged technology partnerships to enhance their mobile app and digital offerings. By integrating features like mobile ordering, rewards programs, and personalized recommendations, they have made it more convenient for clients to engage with the brand and make purchases.

Although specific data on the impact of each partnership may not be available, Starbucks' overall sales growth can be attributed, in part, to the success of their strategic partnerships. The consistently strong financial performance of Starbucks reflects the positive impact of these partnerships on their bottom line.

It has also contributed to Starbucks being a globally recognized brand with its presence in over 50 countries, reaching out to a global audience.

What can PIF learn from Starbucks?

Partnerships

1. Licensing Partnerships

I believe in starting partnerships based on vested interests and shared commonality in approach. Hence, I agree with company's strategy for rapid expansion into new markets and increase in brand visibility through our Regional Channel Partnership (RCP) programme which is a licensing partnership with licensing fee of SGD 1 million. While Starbucks does not allow for the licensee to own the licensed store, PIF does allow for our licensing partner to own up to 70% of the licensed joint venture company in their local region. Since company rolled out this programme in December 2022, it took us about 6 months of market research to optimize the Go-To-Market (GTM) strategy, sussing out the optimal price point versus percentage of equity ownership and testing the market demand.

In June 2023, an investment advisory firm in Cambodia reached out to PIF through social media after having seen our advertisements and expressed their interest to partner with PIF so as to internationalize the small-medium enterprises (SMEs) in Cambodia to bridge them to the global market and international funds. They invited PIF to Cambodia, arranged a meeting with the Deputy Prime Minister of Cambodia, His Excellency Preap Kol and put together a press media conference to increase the visibility of PIF in the local market (see Figure 1). It was a success and we intend to replicate this modus operando of linking directly to the government bodies of the overseas market we are to venture into starting with developing countries in Southeast Asia, such as Philippines and Indonesia.

Figure 2. Press media conference with Deputy Prime Minister of Cambodia, His Excellency Preap Kol on the endorsement of PIF's entry into Cambodia (check out: https://eacnews.asia/home/details/23499)

2. Co-branding Partnerships

What the company can consider to venture further into will be co-branding partnerships, such as Figure 2. Next Level and Success Resources co-brand for this conference, leveraging on one another's market presence and respective expertise. One of PIF's clients, Success Resources is founded by Richard Tan since 1992 and it has been a home-grown brand in Singapore but they lack in the online presence compared to Next Level. Sean Seah founded Next Level in 2018 and being one of PIF's resource partners, we are aware they lack in the array of renowned speakers such as Mary Buffet, T. Harv Eker and Nick Vujicic. Hence, this co-branding partnership for the "Limitless" conference is a win-win for both companies and this is what PIF can consider: to co-brand with companies such as

- corporate finance companies, including investment and corporate advisory firms or education companies such as Shine GoGlobal (https://www.shinegoglobal.com/)
- fundraising activities, Angel Investor Network (https://www.investmentnetwork.sg/entrepreneurs-home)
- business associations, Singapore Business Federation (https://www.sbf.org.sg/events/events-trainings).

Figure 3. Co-branding partnership between Next Level Conference and Success Resources.

Hence, PIF also sought to co-brand with Shine Go Global for a live podcast on their platform (Figure 3), reaching out to their network of entrepreneurs across Singapore, Malaysia and India.

Figure 4. Co-branding partnership between Shine Go Global and PIF

3. Product Partnerships

When it comes to retail partnerships, I see no need for PIF does not need market imprint based on outreach of retail outlets. Hence, what company can leverage upon would be product partnerships such as Figure 3 whereby two F&B brands come together to co-create a product in celebration of National Day in Singapore. Both brands marketed the product, allowing for brand exposure of Lee Wee & Brothers to the clients of Auntie Anne's and vice versa.

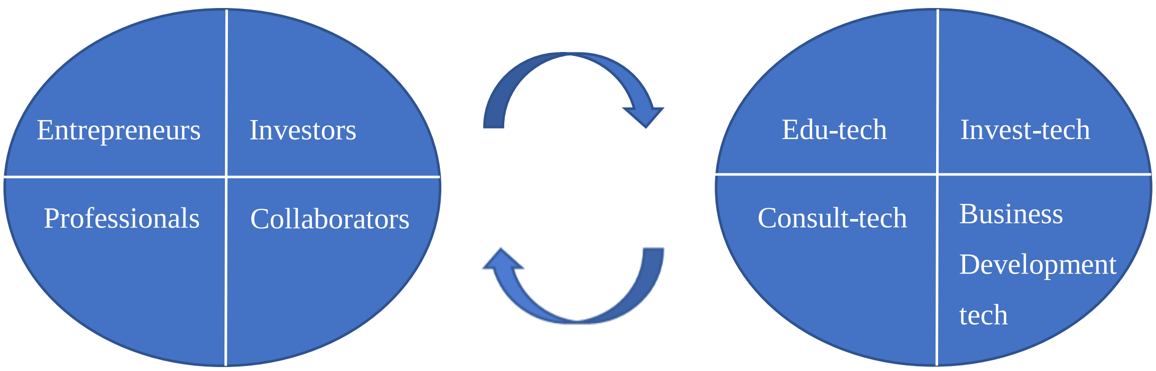
Figure 5. Partnership between Lee Wee & Brothers with Auntie Anne's to co-create a product that infuses the uniqueness of each brand (illustration extracted from: https://www.facebook.com/photo/?fbid=1278063779669949&set=pcb.1278064809669846)

This is what PIF can consider: to co-create a joint product with corporate advisory firms and/or investment advisory firms as well as boutique consultancy firms as long as their clientele base aligns with our SME network. For example, Advanced Consultancy (https://advancedconsultancy.com.sg/) is a Singapore-based boutique management consulting firm to SMEs and is founded by Chris Chen since 2013. I reached out to him via LinkedIn and we have had a brief discussion on a possible synergy which turned out to be a fruitful meeting for he does business diagnostics and market research studies but does not educate or provide consultancy services on equity fundraising, and inorganic merger-and-acquisition which we do.

Future discussions will be centered around creating a product that encompasses both firms' unique value proposition for the benefit of our SME clients, as we leverage on one another's clientele network to increase our brand exposure. For example, our SME Accelerator Programme (SAP) Lite consists of development of a financial master plan for equity fundraising and 12-month group mentorship for execution. This is priced at SGD 87,000 and can be combined with Advanced Consultancy's business diagnostics and market research studies which is priced at SGD 30,000. I can bundle these two products together for SGD 120,000 and leverage on Enterprise Singapore's Enterprise Development Grant (EDG) for 50% subsidy (check out https://www.enterprisesg.gov.sg/financial-support/enterprise-development-grant).

4. Technology Partnerships

The company has spent close to 10 years having built an offline presence across our 4 resource platforms, until the pandemic forced us to shift our activities from offline to online. The pandemic has accelerated the trend towards digitalization of business models, coupled with the shift of commercial activities from predominantly offline and brick-and-mortar activities to online activities (Joseph et al, 2021), and this includes us whereby we are currently converting into an O2O (offline-to-online and vice versa) platform:



Offline Presence	Online Presence
Entrepreneur platform whereby we hold awareness events to educate, and resource-matching activities	Edu-tech platform with monthly subscription to 24/7 educational content, and community groups for communications amongst the community
Investor platform whereby we hold roadshow, international and private, for meet-and-greet between entrepreneurs and investors	Invest-tech platform whereby investees upload a short video recording of their fundraising pitch and investors are able to view at any time of the day
Business colllaborator platform whereby business brokers looking to buy or sell, as well as fundraising brokers who are looking to buy or sell come together	Business collaborators are able to upload their resource or request, and they will be prompted should there be a match. Transactions made through the platform earn them additional exposure in the community
Professional platform whereby professionals looking to sell their services can expand their network in search for potential clients	Professional services that can be packaged into reports will be automated and services that cannot, will be delivered through tele-communications

The transition into an O2O platform helps in digitalizing the process of service delivery whereby we are enabled a 24/7 presence, allowing for cross-border expansion without needing to bother about manpower and logistics across different time-zones. It also helps in digitalizing the process of data collection whereby we are able to gather large data inputs which will be processed and analyzed for monetization purposes. This can be expanded into through inorganic acquisitions of related companies.

For example, **edu-tech platform** can perform various functions such as learning management which can track the user's learning journey and user stickiness to the platform as well as interactive learning through gamification. Company can easily purchase add-ons to our Client Relations Management (CRM) tool (check out the various available off-the-shelf learning management system software (LMS): https://www.capterra.com.sg/directory/30020/learning-management-system/software) or to acquire an edu-tech company such as PLAI by 4Learn Education Technologies (https://4learn.co/) which is an artificial-intelligence (AI) powered LMS.

For **invest-tech platform**, we can also partner with existing invest-tech platform such as InvestTech Platform (https://www.invest-platform.tech/) which is a one-stop shop platform for investments with ready technological solutions to match investors and business-owners. However, as it is a platform serving the investment needs of start-ups which are not our target group; either we add on to their diversity of client coverage or we can acquire them and re-brand for matured small-medium enterprises (SMEs).

For **business development (BD)-tech platform**, there are existing platforms out there such as https://www.businessforsale.sg/ for buy-and-sell of companies. PIF can acquire and add on to the value proposition to:

- Look for franchise or licensing partners
- Create cross-border business collaborative opportunities
- Buy-and-sell of intellectual properties such as technologies and trademarks

For **consult-tech platform**, there is no existing platform in the market that can automate generative analytics to consult companies on navigating the unpredictable terrains of the business landscape. The nearest that a company can get, is McKinsey who launched QuantumBlack AI in June 2023 (McKinsey, 2023) which is a new product suite which marries data technology and understanding of people to create a hybrid intelligence to help companies innovate, and develop new opportunities. PIF can leverage on QuantumBlack AI, customize the applications to automate the generation of pitch decks and valuation reports for our clients.

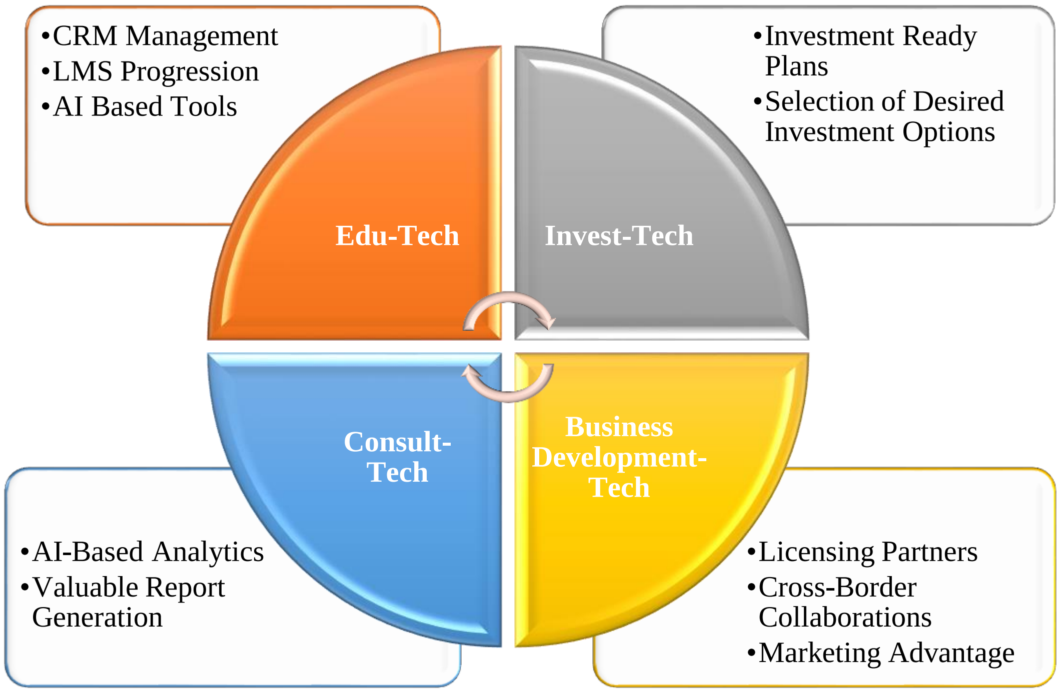


Figure 6: Layout of online platforms

<u>Digital integration</u>

Through the various touch-points: edu-tech, invest-tech, BD-tech and consult-tech, PIF needs to integrate the various data inputs as well as to consolidate the touch-point of digital engagement with our clients whereby a CRM will be helpful to also allow for data collection and enable analysis of our clients' preferences so we can roll out personalized or targeted content or event invitations. At the moment, we do have a CRM but the onboarding strategy to attract clients to sign up for it is non-existent with the user interface not being user friendly to enhance user stickiness to the website. What PIF can improve on:

1. Creating a mobile app instead of a website for our clients are usually on the move, and are also not as technology savvy with the ease of using a laptop or desktop.
2. Encouraging sign-ups of their account through educating on the benefits for them, and not for us. Currently, our clients have to sign up for an account in order to register their attendance for our capital events. However, the sign-up rate is low due to the inconvenience of the process on mobile and the incentive to the client to overcome the inconvenience is not there.
3. Roll out incentive programmes such as invitation to exclusive closed-door business networking events, short 15min tele-consultations or privileged pricing to paid events for registrations and payment through the mobile app.

4. Through user analytics of the content browsed or the attendance of events or the subject of the tele-consultations, a user profile can be created and marketing efforts can then be targeted for pushing of content or event invitations that the client is likely to be interested in. Targeted push of marketing activities also helps to shape a positive client experience (McKinsey, 2019). We will also be able to track the client's journey with PIF and look into the user stickiness as well customer lifetime value (CLV), which are data helpful in justifying our business valuation.

NEXT TREND FUNDRAISING: TOKEN FUNDRAISING

PIF advocates equity fundraising as an alternative source of capital injection to fund for one's business expansion. The pandemic has raised the possibility of leveraging on block chain technology as another alternative source of capital injection which can automate processes and decentralize the chain of autonomy for each party (investee and investor) to develop ownership as well as to ensure trusted transactions between multiple entities. An example will be non-fungible tokens (NFTs), which is a way to store data on a blockchain that even MacDonald's is leveraging on:

Figure 7: NFT collectibles through MacDonald's app

Each token functions as a way to validate unique ownership of something and this can be applied in the fundraising sector, whereby an NFT can be the equity of a specific company or it can be an alternative token of ownership of the company. In recent years, NFT fundraising has been the upcoming trend especially with revenue in the NFT market showing an annual growth rate of (CAGR 2023-2027) of 18.55% resulting in a project total amount of USD 3 billion by 2027 from USD 1.6 billion in 2023.

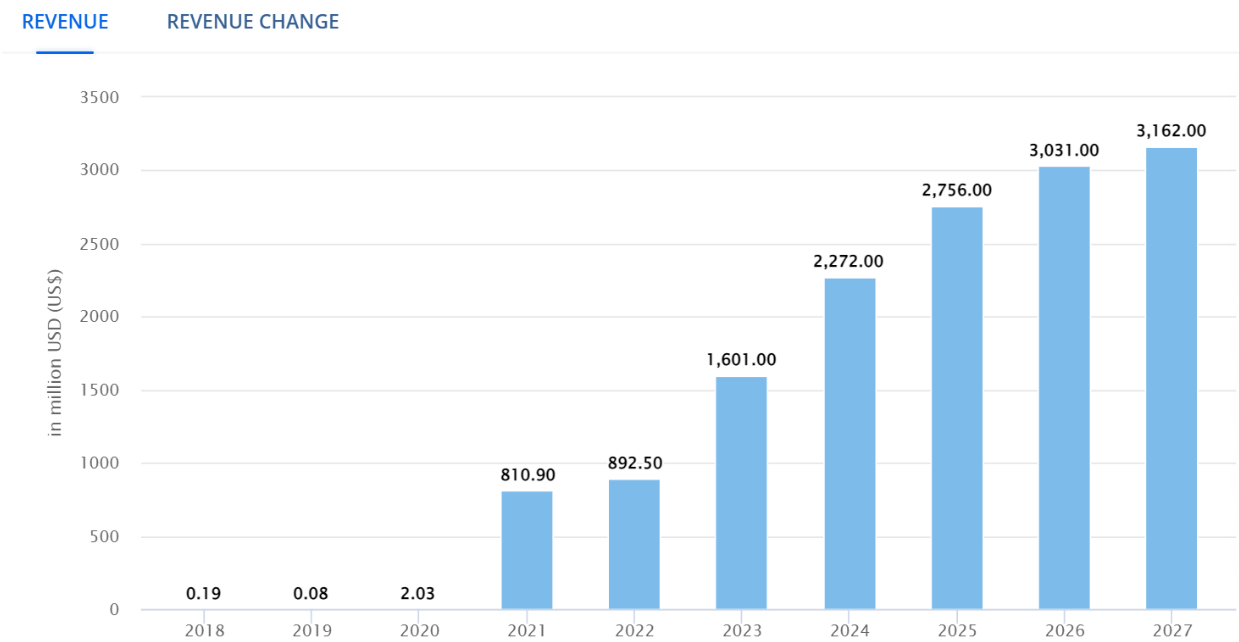


Figure 8. Revenue in the NFT market across time (Statista, 2023).

Creating a digital token to describe these objects on a secure network, such as the blockchain, makes buying, selling and trading more accessible. These digital transactions also come with exclusive ownership claims. NFTs allow for digital representation of assets and can significantly re-imagine the structure of the modern financial system including revolutionizing investing, fundraising, and more. With the security of blockchain technology and smart contracts, NFTS can be more valuable than cash and also help prevent fraud or tampering.

Some of the most successful fundraising efforts by NFT include healthcare, whereby Noora Health successfully sold its one-of-one “Save Thousands of Lives NFT” for 1.3k Ethereum (valued at USD 4.4 million in May 2021). With this funding, the organization was able to forward its mission of creating health literacy programs for families (Exmundo, 2022).

Asia has the top 5 nations with the highest NFT adoption rates: China, Singapore, Hong Kong, Philippines and South Korea. Being headquartered in Singapore, with the intent to create a core tripartite alliance between Singapore, Malaysia and China, it is good news for 2 out of the 3 countries to make into the list:

Nations	Interest By Nation
China	100
Singapore	74
Venezuela	67
Hong Kong SAR	56
Philippines	49
South Korea	46
Malta	43
Cyprus	40
Australia	39
Canada	39

Figure 9. Popularity of NFT users across countries, with the above values determined on a scale from 0 to 100 where 100 denotes the place with the highest popularity as a proportion of total searches in that location (Ruby, 2023).

With OpenSea taking on 90% of all the NFT trading volume, recording an all-time high trading volume of USD 3.7 billion in January 2022, it is no wonder the top NFT marketplace's valuation soars 800% to USD 13.3 billion after the latest funding round in the same month (Rosen, 2022).

What are some of the advantages to using NFTS for fundraising (Stelzner, 2022)?

To the entrepreneur

One of the biggest concerns with equity fundraising is it forces entrepreneurs to sell part of their companies to raise funds which almost always puts the business on a path to pursuing acquisition or an Initial Public Offering (IPO).

The advantages to raising funds through NFT sales include:

- no dilution of ownership
- investor pool becomes global rather than being constrained by proximity

To the investors

Investing is inherently risky as the funds can be locked in for years without delivering a return on the investment. The advantages to the investor include:

- your investment is inherently liquid from the start as you can exist anytime you want
- you can recycle your funds to reinvest into any businesses much more quickly, and easily

What is then the main disadvantage to using NFTS for fundraising?

Hype. A lot of efforts go into building hype to fundraise and this is not sustainable in the long-term.

Hence, one should work on NFT fundraising with a tangible asset of value. For example,

- creating and selling digital collectibles aka products
- loyalty programs
- membership programs
- tickets and passes to events
- consultancy hours

To put it together, PIF can create an NFT that allows for business-owners to have access to our Silver Partners' Membership and sell it on OpenSea for cryptocurrency such as Ethereum. The transaction and data will be recorded on the blockchain. The initial holder can re-sell the NFT and PIF can gain new clients each time the NFT is re-sold, whereby this digitalizes our partnership programme.

This creates cash flow as well as build a community. The NFT-holders can gather at our events and global conferences, and build a following organically. PIF can also build into the NFT such that each time an NFT holder re-sells the NFT, PIF will get 10% of the sales and this creates a residual income or royalties for the company.

For example, Silver Partners' Membership is priced at SGD 1,497 for a 1-year subscription. PIF can create a Silver NFT to sell at SGD 5,000 for a 10-year subscription. As we increase our pricing due to the increase in demand for our services or the increase in value proposition, the NFT value will also increase to be valued at market price of SGD 7,500 in 1 years' time for example whereby our client not only earn the value of the NFT but also the capital gain of 150% in 1 years' time.

The client can then continue to hold the NFT in hopes of higher gains, whereby they will automatically be the marketing agent of PIF to bring in more clients or provide positive review for they hold vested interests in the growth of PIF. Alternatively, they can also sell the NFT to cash out and PIF gains a new client organically while earning 10% of the sales aka SGD 750.

ORGANIZATIONAL ENHANCEMENT OF HUMAN CAPITAL, READY FOR EXPANSION

To keep up to the above policies, the organizational chart has to be revamped:

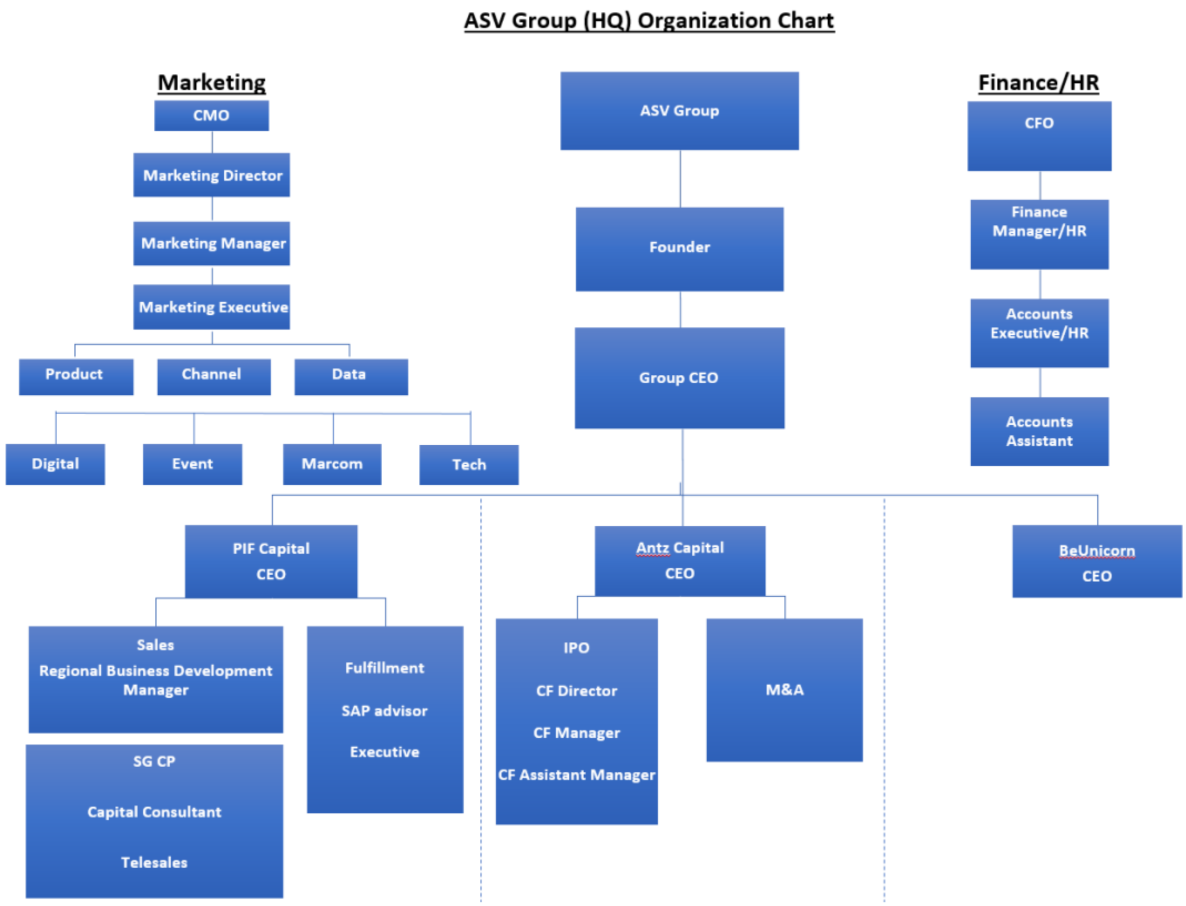


Figure 10. Current organizational chart of Asia's Silicon Valley (ASV), which PIF is a part of.

I propose for the following organization chart for PIF:

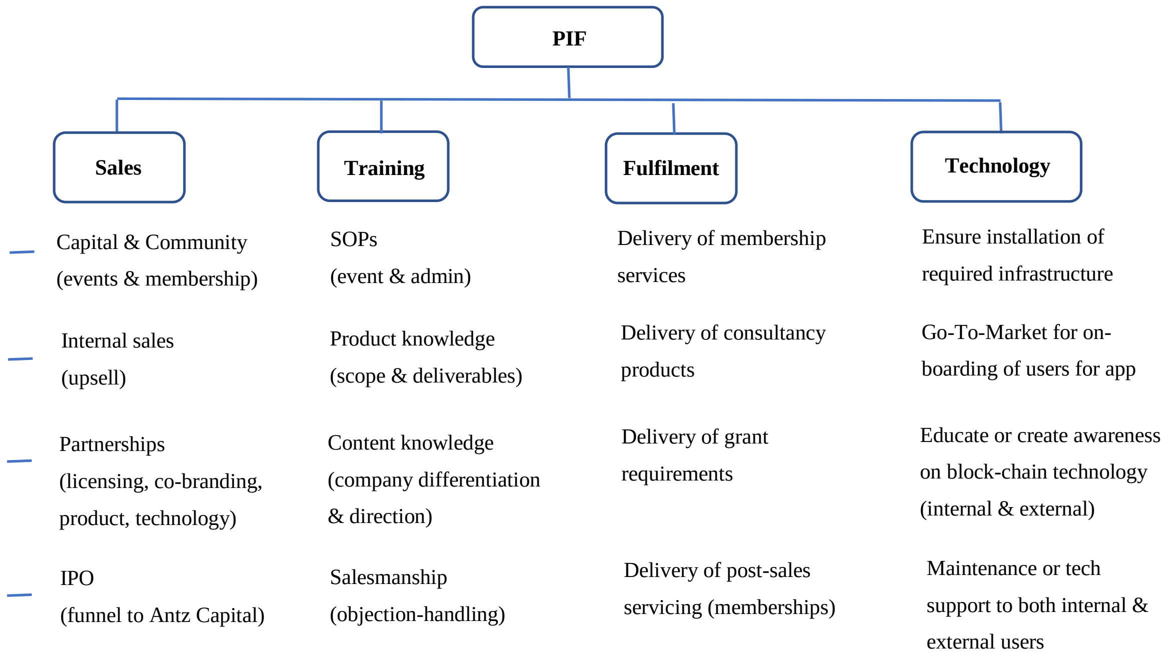


Figure 11. My recommended organizational chart of PIF

With PIF wanting to digitally transform herself into a digitally enabled company, there needs to be an IT unit to manage and maintain the company's technology infrastructure as well as to provide technical support to employees to ensure they have the necessary resources to perform their jobs effectively. We have also been running hybrid events with online and offline presence. Of late, the network has been jumpy and the online experience of our clients is not as optimized. The IT unit will be united to manage our network infrastructure, to ensure reliable and smooth connectivity, monitor network performance and configure network protocols. Additionally, data security is crucial in today's digital landscape and cybersecurity is important to safeguard our data to prevent data breach.

<u>Current challenge in the company</u>

Employee turnover is common in any fast-paced companies but it costs a huge drain on a company's resources with the cost of turnover for (Heinz, 2023):

- Hourly worker being an average of USD 1,500
- Technical positions being an average of 100% to 150% of salary
- C-suite positions being an average of 213% of salary

Not only so, the intangible costs include missed or delayed revenue due to the extra time to train new employees as well as the risk of losing long-standing clients when client-facing employees leave. There is also collateral damage to the remaining team with the current employees needing to take on additional responsibility and the lowering of standards in the next recruitment to fill in the vacant positions, attracting candidates who are not interested in making a significant impact and their recruitment can further demotivate the existing team who are contributing to the company.

PIF has also been facing the challenge of a high employee turnover with the average span of an employee being in the company for less than a year, including the management personnel. The intangible costs are what the company is currently experiencing and the high turnover is also not helping in shaping a positive client experience with the frequent change in servicing personnel.

The management of PIF can do better in increasing employee satisfaction by:

1. Improving the remuneration package

For example, there can be a sales-sharing incentive with the company whereby the sales personnel can earn 0.5% of company's total monthly sales upon the sales personnel being able to achieve 50x of their monthly salary as part of a performance bonus. In the event,

Monthly salary: SGD 3,000
Monthly personal target: SGD 150,000

Each sales personnel is now intrinsically motivated to achieve the monthly personal target, and they will devise their own strategy to achieve so without needing to be baby-sat like the current moment with needing to motivate them on an almost daily basis. With a sales team of 8 personnel,

Given 50% of the sales personnel achieve their monthly personal target, total monthly sales will be SGD 600,000 and 1% is equivalent to SGD 3,000. This is an additional bonus on top of their commission. The rise and fall of the productivity of a sales team, lies in the commission structure.

The gain of the achievers will motivate the remaining sales personnel to buck up on their sales activities so as to earn what they earned, and this becomes a positive cycle to get the sales team up to speed. The time of sales management is to be spent on more productive matters than counselling the sales personnel, especially at this moment where productivity and efficiency are crucial.

2. Not lowering standards in the recruitment process

The company is getting sucked into a vicious cycle and growing a reputation of being a revolving-door employer. It does not matter what the reasons are, for PIF to ask for employees to leave, but the outcome is as it is: employee turnover is high and this needs to be resolved. It is also counter-productive for a leader to think the employee disengagement from work and lack of productivity as a result is a bug in their mental make-up and they as responsible adults, should be able to suck it up and snap out of it (Cable, 2018). As leaders, we should understand the crux of the problem and figure out a system that allows the company to sort through the existing personnel to identify who deserves to continue to be invested in or who should be asked to leave to cut losses.

Due to the increasing cost of leaving a position vacant, the position lowers the standards to bring in candidates who are not able to fulfill the targets of their job positions. Either they are asked to leave within 3 months or due to the need for at least a head-count to maintain the basic operations, they are allowed to remain in the company with their job responsibilities being tasked to the able colleagues who have to take on additional responsibilities for the same pay-check; this is an unhealthy cycle. Company either increases the pay-check for additional responsibilities or to outsource to an external vendor and pay for the services.

3. Allowing for additional welfare benefits

Stock options can be differentiated into instant gratification and delayed gratification. At the moment, PIF is offering stock options which can be fulfilled only upon successful listing of the company. However, PIF can also consider to offer stock options such as the Bean Stock of Starbucks (Bean Stock, 2023). This was created back in 1991 before Starbucks was listed, allowing for part-time and full-time employees to earn a piece of the company.

If one stays employed by Starbucks for at least one year with no breaks in service, they will receive the first half of their Bean Stock. Should one remain employed for two years, they will receive the second half. Once they own the shores, they can hold or sell them. Like what one of their employees say (Sharf, 2015), "I am very heavy in Starbucks stock… I feel confident in the company that is investing in me, that I am going to be here a long time and that it is going to continue to grow." – from one who started working as a Starbucks barista at the age of 18 and continued working for Starbucks 22 years later as a diversity consultant.

Quoting Barbara Baksa, the executive director of the National Association of Stock Plan Professionals: Stock options help align the employees with what the shareholders want for the company. The shareholders want the stock price to grow. If employees own stock, and particularly if the executives own stock, then presumably they will also want the stock price to grow. This improves worker retention, which cuts turnover costs and arguably improves client experience.

Additionally, provide stock options to the able employees in terms of sales-sharing for instant gratification on top of the delayed gratification that the company is currently offering. By enabling the instant sharing of company's growth with the employees, it serves as in intrinsic motivation for employees to go beyond. Like what Starbucks believe in: when you put money into your workers, they put money into you.

BUDGETING FOR THE PROPOSAL

In order to implement the above-mentioned proposal, here is the breakdown of finances involved:

Digital Transformation

Digital tools and training	S$ 100,000
Software subscriptions	S$ 50,000
Total	S$ 150,000

Token Fundraising

Legal and Regulatory Consultation	S$ 50,000
Development of Fundraising Platform	S$ 100,000
Marketing & Promotion	S$ 50,000
Total	S$ 200,000

These can be subsidized by Singapore's government through the Productivity & Digitalization grant:
https://www.enterprisesg.gov.sg/grow-your-business/boost-capabilities/productivity-and-digitalisation

Organizational enhancement

Restructuring and Training	$ 150,000
Employee Empowerment Programme	$ 100,000
Total	$ 250,000

This can be subsidized by Singapore's government through the Human Capital development grant:
https://www.enterprisesg.gov.sg/financial-support/enterprise-development-grant

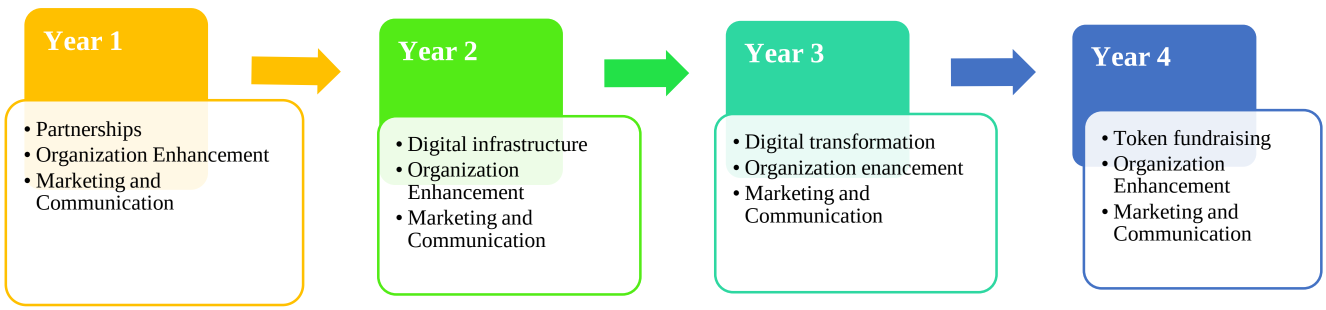


Figure 12. Financial timeline for the proposal

Impact of Proposal on Organization

The proposed changes to the organization's operations, culture, and financial results are only a few of the proposal's key effects. Any significant organizational change, nevertheless, can also bring about difficulties and interruptions. Here is a summary of the effects.

Positive impact

- Adopting digital tools and streamlining processes can increase operational effectiveness, speed up decision-making, and improve customer experience.
- Focusing on digital transformation and AI-driven analytics can promote an innovative culture that will help the firm stay ahead in a financially dynamic environment.
- Blockchain-based token fundraising has the ability to increase cash raised, attract more investors, and streamline fundraising procedures.
- The combined results of the suggested activities could establish the company as a market leader in the financial industry, luring additional customers, investors, and expansion chances.

Negative impacts

- Employee resistance to organizational and technological changes could lower production and have a negative effect on morale.
- It may be necessary to make sizable upfront investments to implement digital tools, blockchain platforms, and reorganization, which will have an impact on short-term finances.

- As staff members adjust to the changes, integrating new technologies and processes may temporarily interrupt operations.
- The new tools and procedures will require time for employees to learn and adjust to, which could initially result in a drop in productivity.

<u>Strategies to reduce the impact of proposal on PIF</u>

1.1. Effective Communication

Emphasize the long-term advantages for both the organization and specific positions when explaining to employees the reasoning behind the adjustments.

1.2. Management Change

Implement a thorough change management approach that includes employee assistance during the transition as well as training and workshops.

1.3. Phased Implementation

Introduce modifications progressively to reduce commotion. Before introducing new techniques and technology throughout the entire organization, test and pilot them in a few selected departments.

1.4. Employee Involvement

Participate in planning and decision-making with the help of the staff. Their opinions can offer insightful advice and assist in lessening opposition to change.

1.5. Financial Planning

Create a thorough financial strategy to make sure the required initial investment is in line with the organization's financial resources. If more money is required, take into account getting it.

1.6. Teams for Transition

Form specialized teams to supervise the execution of each initiative. These groups can assist staff members and respond to problems immediately.

1.7. Continuous Support

As staff members adjust to the changes, provide continual training, support, and guidance. Encourage an environment where employees can develop new skills.

1.8. Creating Milestones

Set quantifiable objectives for each program to monitor progress and show all stakeholders the benefits of the changes.

Proposal Sustainability

Considering the sustainability of the implementation of proposal:

Environmental Considerations

In comparison to conventional approaches, the idea can result in less paper being used and less energy being consumed by integrating digital tools and automated processes. By increasing transparency, accountability, and traceability in financial transactions, blockchain adoption for token fundraising can support environmentally friendly business operations.

Social Impacts

The proposal's organizational enhancement component focuses on developing a collaborative, innovative, and adaptable culture. This may have a favorable effect on staff morale, work satisfaction, and general well-being. The idea aims to improve customer experience by utilizing AI-driven data analytics and personalized financial solutions to ensure that clients receive individualized and pertinent services that fit their demands.

Governance and Ethics

In line with sustainable governance principles, the plan places a strong emphasis on transparency in business operations, token fundraising, and decision-making procedures. The dedication to moral business conduct is shown by the proposal's commitment to the ethical standards set forth in it.

Economic Resilience

The proposal's emphasis on service diversification and the use of cutting-edge technologies is consistent with economic resiliency. By using these steps, the company can create new revenue sources and respond to changing market conditions.

Innovation and Adaptation

Adopting digital tools and analytics powered by AI demonstrates a dedication to innovation and maintaining relevance in a technology-driven environment. The proposal's focus on developing an innovative and adaptable culture equips the company to successfully handle upcoming difficulties.

Long Term Vision

The investigation of token fundraising in the proposal, which makes use of blockchain technology, shows a forward-looking approach to fundraising strategies that are compatible with the changing financial landscape.

To conclude, I proposed for 3 main aspects to cause a positive disruptive change to the company either through organic growth (partnerships) or inorganic growth (acquisitions):

1. Leverage on various types of partnerships to accelerate growth of sales, managed through digital transformation

Whereby I took reference from Starbucks for PIF to look into:
- licensing partnerships
- co-branding partnerships
- product partnerships
- technology partnerships
- digital integration of various connecting points with clients through an app empowered by customer relationship management (CRM) software to manage, track, and store information related to our existing and potential customers.

2. Token fundraising as an alternative arm to equity fundraising which is solely what PIF is preaching

Whereby I highlighted the NFT and their perceived role in revolutionizing fundraising, such as avoiding dilution of ownership of the entrepreneurs yet providing liquidity for the investors. I proposed the creation of NFTs for PIF services, including membership, consultation hours and programmes, event tickets and conference passes, etc. The sales of NFTs complements the conventional sales of our services, and forms the token fundraising arm of PIF. This can be replicated for our clients, and we therefore increased the value proposition of our services by including token fundraising.

3. Organizational enhancement of human capital, ready for expansion

For the above to happen, the company needs to look into an entire over-haul of the organizational chart and deployment of relevant manpower. At the moment, the organizational chart needs to be re-looked in order to have a smooth experience of the existing personnel to execute our duties. On top of this, new personnel need to be hired such as the hiring of a blockchain specialist to enable the token fundraising arm of PIF. [6,001 words]

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Summary of Module 1 Level 4

The assignment focuses on the development of a new strategic plan for the next 3 to 5 years with aligning the current strategic objectives of the company. I emphasized on the need for a variety of options and a clear implementation plan, taking into account factors such as organizational structure, style, and people issues, as well as global issues like sustainability, diversity, and resource availability. With the strategic objectives of PIF to achieve the goal of developing 300 IPOs and 300 education foundations, I suggested three strategic priorities: accelerating partnership-led growth of sales, automating business processes, and monetizing the current resource community.

It includes setting annual sales targets for the SME Accelerator Programme (SAP) and implementing a Regional Channel Partnership (RCP) program. Partnerships play a crucial role in the organization's growth strategy, in increasing market presence and enhance company's capabilities. Automation of the sales process and content delivery is also proposed, to streamline business processes and improve efficiency, reduce costs, and enhance client experience. Alongside comes the need for digital and technology leadership, the right deployment of talent, and the monetization of existing resources.

I also explored the use of blockchain technology and the creation of a digital marketplace to monetize company's existing community, including initiatives such as creating a digital trading platform for PIF tokens, establishing a digital banking system, and acquiring an existing digital exchange. With the changing business landscape due to the pandemic, there is the need for the company to be adaptable and this involves the aligning of top management, setting clear performance objectives, addressing underlying issues, fostering a positive work culture, and seeking external expertise for guidance.

Overall, I aimed to capitalize on the opportunities presented by digitalization and automation trends while navigating the challenges of the economic landscape through recruiting digital and technology leadership to drive innovation and transformation, deploying talent effectively, and focusing on client retention.

Summary of Module 2 Level 4

The assignment primarily focuses on the current process within the organization and proposes recommendations for improvement, starting with the strategic objectives that are crucial for achieving organizational success. These objectives include automating business processes, accelerating partnership-led growth of sales, and investing in resource community monetization.

It also emphasized the need for a hybrid management style that combines both top-down and bottom-up approaches, believed to allow for effective decision-making and promotes collaboration within the organization. It recognizes the importance of integrating human intelligence (HI) and artificial intelligence (AI) in decision-making processes. I also shared my belief in building partnerships based on trust, promoting others rather than oneself, and building constellations instead of lone stars. This fosters collaboration, innovation, and collective problem-solving within the organization.

To enhance operational efficiency, I suggested the implementation of automation so as to save time and resources while allowing employees to focus on more strategic and value-added activities. It highlights the benefits of leveraging AI-driven applications that can "learn" from the copious amount of data gathered, enabling the generation of customized business proposals, especially the importance of integrating human intelligence (HI) with artificial intelligence (AI) and leveraging data insights for informed decision-making.

While AI can automate tasks and provide critical insights, I believe a collaborative relationship between HI and AI is crucial. Hence, there is the need for leaders who can effectively coordinate and coach team processes to align human and AI capabilities for better performance, including making of the right decision.

In decision-making, I proposed a five-step process that involves identifying the type of decision, gathering relevant data, considering diverse perspectives, evaluating alternatives, and validating insights. You also stress the importance of fostering a data-driven culture within the organization, including educating the team about data analytics and building a leadership team that promotes and exemplifies data-driven decision-making.

Leaders are also expected to manage the financial performance of the organization and I emphasized the significance of building on partnership-led growth to increase company’s revenue. By forming strategic partnerships, we can then tap into new markets, access additional resources, and leverage the expertise of other companies.

Additionally, I discussed the concept of resource community monetization through capitalizing company's existing resources and create a community which can be leveraged to generate additional revenue through various means such as offering premium services, providing exclusive access, or facilitating knowledge sharing. This can be facilitated with fostering a data-driven culture within the company by utilizing data analytics and insights for informed decision-making.

In conclusion, the assignment focuses on the strengths of the current process and recommends improvements for enhancing operational efficiency and revenue generation. It emphasizes the importance of strategic objectives, a hybrid management style, automation of business processes, partnership-led growth, resource community monetization, and a data-driven culture. The proposed automation includes streamlining the sales flow, automating lead filtering through digital marketing and data analytics, and creating a click funnel to guide potential clients through a questionnaire and landing page for the Business Clinic package. The plan also suggests leveraging ChatGPT for various tasks like website chatbots, social media management, email campaigns, cold outreach, leads qualification, and CRM integration.

Additionally, alternative approaches such as setting up a RCP department, M&A with debt financing companies, and monetizing existing client base through loan brokerage referrals are proposed. The plan requires cross-departmental decision-making and action, along with creating a feedback loop to evaluate the effectiveness of decisions. Through implementing these recommendations, the organization can then establish a strong foundation for success through a collaborative and innovative company culture that can adapt to changing circumstances, drive sustainable growth and achieve company goals. All in all, the focus is on agile decision-making, resource allocation, and balancing data insights with entrepreneurial intuition in SMEs.