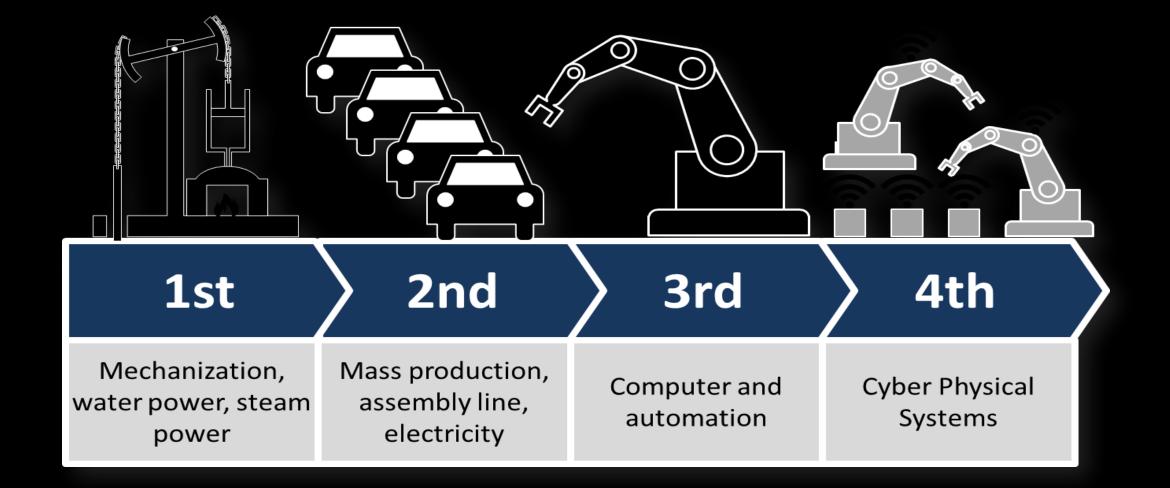
## THE CHALLENGES OF INDUSTRY 4.0 FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

Mr Ong Chee Tat

National Deputy President of SME Association Of Malaysia

## **REVOLUTION OF INDUSTRY 4.0**



## INDUSTRY 4.0 ADOPTION AMONG SMEs

#### SME awareness towards <u>ICT</u> is still low...



Only 20% of SMEs use ICT applications actively



Only 16% of SMEs embarked on ecommerce activities



55%% of SMEs do not know how to use the internet



**40%** of SMEs say they do not need the internet



Low SMEs investment in automation as tech upgrading viewed as a cost rather than an investment

#### So where are Malaysian SMEs in terms of Industry 4.0 adoption?

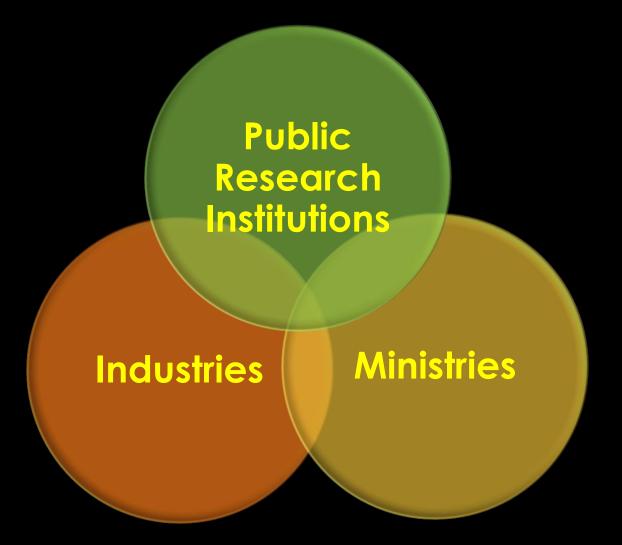
Source: FMM ICT Adoption Study, 2016

### WHAT ARE THE CHALLENGES?





## **ECOSYSTEM TOWARDS INDUSTRY 4.0**



# SMES PROPOSALS TO ADDRESS THE CHALLENGES OF INDUSTRY 4.0

- More awareness roadshows on the importance of automation and use of cyber-physical systems (industry 4.0)
- 2. Incentives and Funding specifically to encourage SMEs' adoption
- 3. Coaching, mentoring and support services
- 4. One-stop support information on transformation towards Industry 4.0 (Centre of Excellence)

