

# MANAGING THROUGH COVID-19

A CASE STUDY

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Chng, who oversees finance, treasury, investor relations and corporate services in Singapore Exchange Ltd (SGX), reminds us of the importance of remaining optimistic and having a community mindset in challenging times. "This storm, while formidable, will pass" he says. "Being prepared and vigilant is our strongest defence".

As a critical part of the financial market structure in Singapore, SGX has had to proactively manage the COVID-19 situation to maintain operations throughout the pandemic.

Given the difficulty in predicting what the "post pandemic" world would look like, SGX has been using this time to continue to grow as a digital organisation and stay connected with its employees and stakeholders, including clients, partners and investors.

"One positive outcome of the pandemic is that it has propelled the use of our digital tools and accelerated the pace of SGX's digital transformation. This has spurred SGX to think of new ways of running the business and engaging its stakeholders," says Chng. Chng shared that more than 90 per cent of his finance department is working from home, This has prompted him to think about how a future workplace and work environment for his finance colleagues can look like. There will no doubt be changes and he thinks that they will lead to a better work life balance.

"The changes brought about by the pandemic have given rise to opportunities for us as individuals and organisations to evolve and prepare for what is to come. All of us have to be flexible and adapt in order to stay engaged with our colleagues, customers and stakeholders," says Chng.

### TECHNOLOGY AND DIGITAL SOLUTIONS

Despite the pandemic, Chng says SGX takes a long term view and will continue to invest to grow as a multi asset exchange. Past investments in digitalising the company's internal processes and servicing customers have proved very useful to support operations during the pandemic. The investment in technology and digital solutions will be increased.

Staff have been able to access the company's systems and records from home, thus enabling work from home arrangements. There have been limited interruption to operations and no compromise to information security.

Services to customers have also transitioned from physical to online and the results have been very encouraging. Customers are able to adapt and adopt to the use of online services. An example was the services provided by the Central Depository (CDP) to its customers. Other examples include replacing events with virtual forums and conducting online meetings with analysts and investors. The SGX Academy has also ramped up online webinars.

## SUPPORTING SGX EMPLOYEES

SGX's immediate focus is on the health and well-being of its employees. Chng says no cost was spared in implementing stringent measures to safeguard everyone's well-being, operating with minimal employees onsite, changing processes to minimise face-to-face interactions, amongst others.

Some measures SGX has taken to create a safe working environment include:

- daily temperature checks of staff working in the office and providing masks and hand sanitisers,
- increased safe distancing measures at the workplace,
- stepped up cleaning of premises, including ad-hoc deep cleansing,
- flexible working hours and transport subsidies,
- fortnightly teleconference townhalls and huddles for senior management to interact with staff, provide updates and to answer questions

## SUPPORTING INVESTORS AND CLIENTS

With elevated uncertainty likely to persist, there is heightened demand for risk management solutions and investment opportunities. Thus, SGX is committed to supporting clients with managing their portfolios during these volatile times.

SGX has taken several mitigating measures to maintain the financial resiliency of its counterparties e.g. adjustment to margin rates and collateral 'haircuts', enhancements to credit stress testing and increased monitoring. It is also working with the wider capital markets industry to understand their practical difficulties during this period.

A grant of S\$5,000 per company was made available to all qualifying Mainboard- and Catalist-listed companies to help defray the additional costs of organising AGMs in line with government-mandated circuit breaker measures and safe distancing guidelines.

Through its subsidiary, SGX RegCo, and with other statutory agencies such as [Accounting and Corporate Regulatory Authority](#) (ACRA) and the [Monetary Authority Singapore](#) (MAS), SGX issued [new guidelines on general meetings](#), [granted extensions for holding AGMs](#), and introduced [measures to support issuers](#) with fund raising efforts, among [other things](#).

## SUPPORTING THE ECONOMY

Exchanges like SGX will play a vital role in the recovery of financial markets, as it provides a resilient platform for investors to manage risks and companies to raise funds. SGX is working with stakeholders across the financial community to ensure that the Exchange remains robust, uninterrupted and accessible.

"Market stress may be temporary, but resilience and trust in an orderly and high-quality market will stand the test of time," says Chng.

## **SUPPORTING THE COMMUNITY**

SGX committed a S\$5 million SGX Care Package that goes towards supporting the community (via national healthcare-support programmes), listed companies and its employees particularly the frontline staff, cleaning and physical security staff.

## **ADVICE FOR BUSINESS LEADERS**

Chng stresses that there is no “one-size-fits-all” approach in an environment fraught with uncertainties. The risk of a deep recession worldwide in the next 12 months will affect each industry, company and country differently. Thus, businesses and individuals alike will need to build agility and adaptability by:

- staying abreast of developments both local and international to be able to respond and adapt in a timely manner,
- proactively pursuing opportunities while maintaining a community mindset such as taking care of colleagues and supporting employees’ emotional and mental well-being,
- having in place and continuously refining (through regular pandemic drills and readiness tests) comprehensive business continuity plans to respond quickly in the face of disruption, and
- keeping spirits high and remaining optimistic.

He reminds CPA Australia members that the knowledge and rigorous training they have acquired as CPAs will be useful to many business areas as business recovers. It will be opportune during this relative downtime, to continue learning and keep up with professional knowledge and skills upgrading. Members could also leverage the vast learning and development resources of CPA Australia to support their personal and professional growth.