

Let's help SMEs go digital

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Technology will help many small- and medium-scale enterprises grow rapidly. - AFP PIC

LETTERS: The end of June is when many business owners rush to file their submissions for declaring taxable income to the Inland Revenue Board of Malaysia (IRB).

Many small- and medium-scale (SME) business owners have digitalisation problems after IRB disabled physical customer guidance on e-filing at all branches.

These owners prefer counter submission and help from personnel, so they have to rely on tax agents' services.

This has badly impacted conventional business owners who are not tech-savvy.

A survey carried out by Merdeka Center in 2020 among 600 micro- and small-enterprise owners reflected the unreadiness of almost one-fifth of SMEs in using technology in business.

About 79 per cent from the same group of business owners revealed that they do not use any software in business operations.

Digitalisation and digital tools help SMEs to reduce costs, standardise and automate business processes, and reduce reliance on manpower.

However, it needs to be on par with the reality on the ground.

First, it is important to understand business owners' motivations and capabilities so that policies can be tailored to meet their needs.

One good example is New Zealand where a small business strategy was created by SMEs.

Using e-Invoicing and a better business strategy have improved connections with government through digital methods.

Public servants are the brand ambassadors of the government.

They should help SMEs manage innovation assets, improve the availability of financing and increase digital and skills awareness.

Handphones, laptops, computers, apps, websites and cloud services are common today.

But it is crucial to understand that there are many SMEs that have not fully integrated technology into their operations.

SMEs contributed 38.9 per cent to the nation's gross domestic product, so helping them will surely benefit the nation.

So support from the government and private sectors is needed, coupled with a strategy to help SMEs go digital.

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