



The Innovation Imperative: Unlocking Sustainable Economic Growth

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Shaping the focus and value system of TM Research & Development (R&D) is an ongoing challenge. In an era brimming with buzzwords such as digital transformation, tech-augmented work, and sustainability, it's easy to feel pulled in various directions simultaneously, making it unclear which path is the right one. Therefore, I've come to the conclusion that the ultimate goal a business can strive for is sustainable economic growth. To achieve this, businesses must seek balance.

But what does balance mean in the context of economic growth? It goes beyond mere profitability through products; it entails considering all aspects of society – social, environmental or otherwise.

1) LIVING IN HARMONY WITH THE ENVIRONMENT

The data is clear: sustainability isn't just a buzzword; it's a powerful tool for advancing our economic and societal well-being. Studies consistently reveal that for every dollar invested in sustainability initiatives, the return-on-investment ripples through the economy, benefiting rural villages to bustling urban centres. For example, TM R&D, in collaboration with Jabatan Perhutanan Negeri Selangor, is actively engaged in studying and monitoring ecological changes using digital technologies. Malaysia, with its vast forests, is ideally positioned to tap into the carbon credit business opportunity, a market-based approach to addressing climate change and reducing greenhouse gas emissions. This presents a sustainable carbon credit treasure trove that could contribute approximately RM360 billion annually to the country's economy. The point is clear: we no longer need to resort to deforestation for income. Maintaining our natural forest ecosystem, coupled with robust biodiversity conservation, can indeed serve as an economic driver.

2) EQUAL INVESTMENT IN THE ARTS AS IN STEM

While STEM (Science, Technology, Engineering, and Mathematics) is crucial for digital progress, an equally essential creative arts agenda ensures that transformative processes remain sustainable and harmonious to our nation's unique identity. The World Economic Forum recognises creativity as one of the top 10 skills in demand by 2025. By embracing multiple perspectives and placing inclusivity at the core of the decision-making process, we can holistically address issues like creativity, climate consciousness, and digital adoption while preserving what is unique and precious to our nation.

3) DIGITAL INCLUSIVITY

Bridging the digital gap sets the stage for unlocking the full creative potential of our nation's workforce. Research shows that countries emphasising inclusivity in their digital economies have the potential to add trillions of dollars to the global GDP. Studies even suggest that closing the gender digital divide could bring an additional US\$13 trillion to the global economy by 2030.



In this new form of sustainable economic growth, businesses can no longer view the "art of creation" as a cost but rather as an investment with the potential for substantial, sustainable returns and a competitive edge. Achieving the right balance for sustainable economic growth now demands creative thinking – an 'X-factor' that sets businesses apart. In a word, it requires innovation.

So, how can one foster innovation?

1) *Create an Environment for Innovation*

Innovation is inherently competitive. Just like in golf, where you compete with yourself to achieve the best possible outcomes, innovation is a competitive sport. Organisations must establish an environment where people feel safe to take risks, experiment, and even fail. Yes, failing is also an important step in innovating. Allowing the time and resources for trial and error, is something many corporations struggle to prioritise despite its obvious merits.

2) *Give Innovation Independence*

Innovation must have the freedom to operate independently. It cannot merely function as a component under a large corporation or brand. It needs its own runway to run faster, collaborate, build, experiment, and explore. Combining theoretical and experimental researchers is the recipe for success, as it marries creativity, technique, and expertise.

3) *Invest in Talent*

Innovation centres around people and talent. Companies known for their investment in new ideas to solve problems will attract skilled employees eager to work on next-level projects. As German futurist Gerd Leonhard aptly stated, "In a world where performance is reaching perfection, there is only one space left to innovate - You."

In this digital age, the perfected performance comes from an interesting contender – machines. Many jobs performed by humans are gradually being assumed by machines, reshaping our economy and society. However, the human touch on technology sustains the beating heart of an innovation culture. It allows us to create new products and services, enhance productivity, and address emerging challenges. AI, while a powerful tool, must be used responsibly, for our benefit rather than detriment. Klaus Schwab, founder and executive chairman of the WEF, rightly emphasizes that "AI and automation can help us with these tasks, but they cannot replace the human touch."

The time now has come for businesses to think bigger, look beyond their immediate interests and consider the broader ecosystem in which they exist. Through innovative thinking, inclusive decision-making, and leveraging the tools at our disposal, challenges like creativity, climate consciousness, and digital adoption can now become the catalyst for transformative reforms, guiding us towards a nation and future we can live with, comfortably and wholeheartedly.

References:

- 1) [*Riding the Job Revolution*](#)
- 2) [*The Value of Creativity*](#)
- 3) [*Mr Bond, Aim for Innovation*](#)