SOME of Singapore’s top enterprises can soon turn to a new source of ideas for business expansion and brand development: Students.

Thanks to a $3 million programme, undergrads from the Singapore Management University (SMU) will be given the chance to do consultancy work for small and medium businesses.

The projects will be mandated and partially funded by the companies and supervised by SMU professors in a tie-up of academic know-how and real-world business.

The scheme was announced yesterday by SMU and United Overseas Bank (UOB), which first mooted the idea and is the first financial institution to act as a prime mover in bringing students and local companies together.

The bank will be matching $1 for every $2 raised — up to $1 million — by companies that participate in the UOB-SMU Entrepreneurship Alliance Fund.

According to UOB deputy chairman Wee Ee Cheong, the initiative will help facilitate the development of SMEs and the SME market, of which it has a 35-to-40 per cent share.

“There are more opportunities and a larger playing field for all, especially with the rise of regional economies such as China and India. As they venture out, local enterprises can approach the Alliance to tap on SMU projects,” he said at a media conference.

Thirty-eight companies have come forward, contributing $50,000, on average, to bring the fund to more than $2.4 million.

One of them, apparel company Ocean Sky International, may tap SMU students to do market research in the region.

Selected students — SMU expects about 160 of them to benefit when the scheme starts in August — may be able to count the projects as internships.

Education Minister Tharman Shanmugaratnam said he hopes the experience will spur some students to start their own firms or join an SME rather than “going the old established routes of trying to get a job in an MNC or with the Government”.

He also encouraged the corporate sector to collaborate more with the universities to “spur entrepreneurial thinking”.

UOB deputy chairman Wee Ee Cheong (left) shakes hands with SMU president Howard Hunter after signing the agreement for the Alliance Fund as Education Minister Tharman Shanmugaratnam looks on.