



APO *news*

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New Year Message

APO Secretary-General Shigeo Takenaka


It is my pleasure to wish all *APO News* readers a very happy, prosperous, and productive New Year. I want to take this opportunity to express my deep gratitude to all who have supported the APO in carrying out its mission of enabling its member countries to achieve greater competitiveness and higher socioeconomic growth through enhancing productivity.



Last year saw various measures considered or undertaken to strengthen the APO Secretariat and for the organization to be more responsive to the expectations of member countries. This issue reports on the restructuring of the Secretariat. The changes and innovations are expected to continue in the next couple of years. A key undertaking will be a thorough review of the planning and strategic thrust of the APO programs vis-à-vis those of member countries to provide maximum support to them. Among the areas that warrant special consideration are knowledge management, service-sector productivity, eco-product promotion, food safety and security, and productivity measurement.

In 2006, the APO took an important step forward in what we hope will be a key contribution to the global productivity movement. There has been a worldwide surge in interest in productivity in recent years. After more than four decades of driving productivity, APO member countries in Asia and the Pacific have amassed a wealth of knowledge of and experience in productivity promotion, improvement, and measurement which other regions are keen to tap. Realizing this and the potential benefits to member countries, the APO launched its African Program with special funding from Japan. The Secretariat has also received requests by regional and international organizations for assistance for Latin American countries.

In embarking on this global role, APO member countries must work even harder to stay ahead. It is hoped that this will spur innovations and unleash a new growth curve that will take them to even greater heights of achievement. This is my New Year wish for member countries.

Productivity improvement continues to be an essential component in the creation of national wealth and improving the welfare of people. A key role of the APO is to sustain awareness of this in its member countries and elsewhere. I seek your ongoing support as the APO strives to fulfill this and other tasks embodied in its mission. 

" Design is like cooking. A symphony of different materials is the spices to create different dishes. I always start each project from ground zero and find inspiration everywhere. Everything is consequential."

Antony Chan

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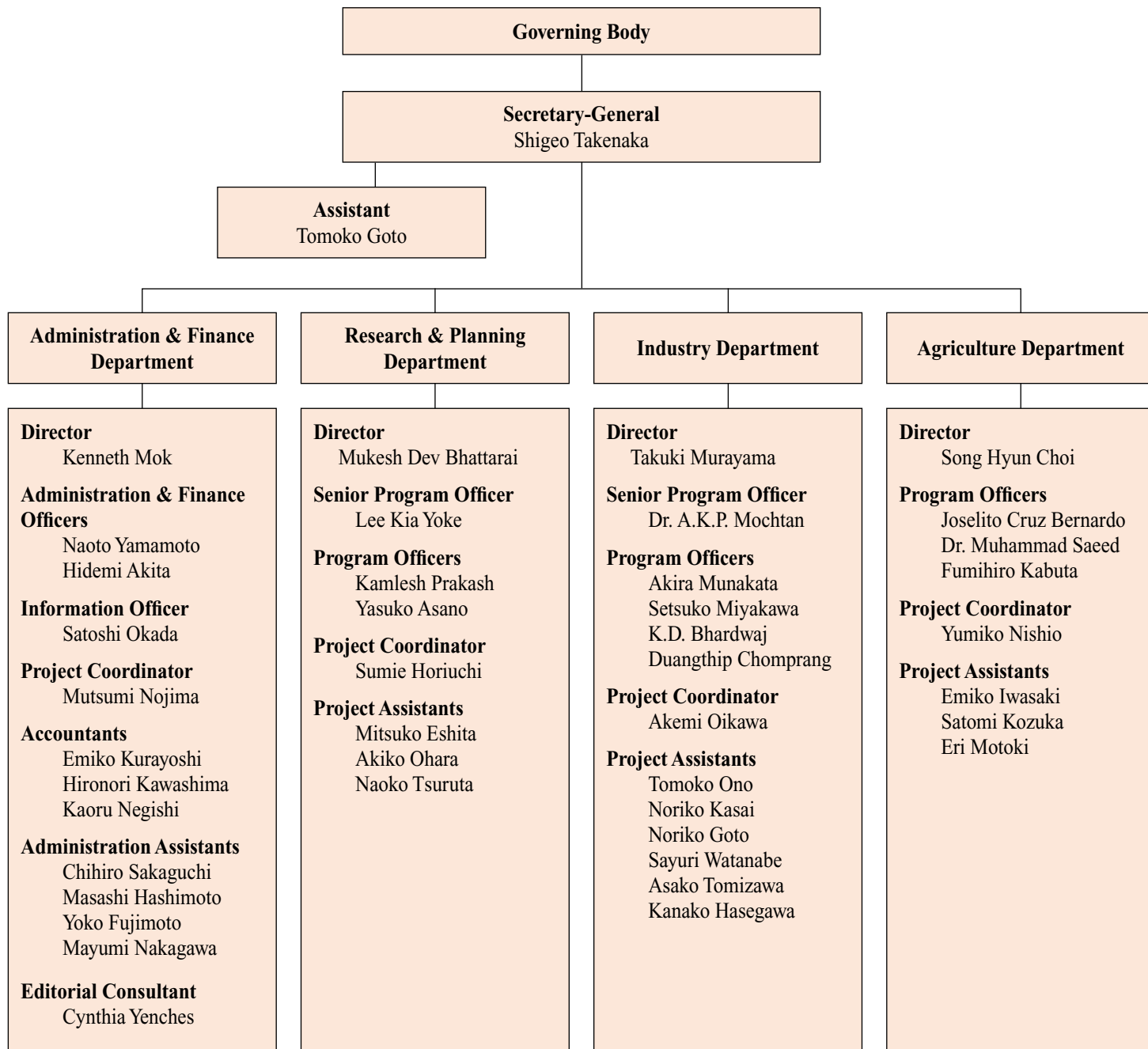
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The *APO News* wishes all of its readers a happy, healthy, and prosperous 2007.

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APO Secretariat organization chart

As of 1 January 2007



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Industry Department	5226-3925 & 5226-3926	5226-3955	ind@apo-tokyo.org
Agriculture Department	5226-3924	5226-3954	agr@apo-tokyo.org

APO Secretariat restructures

The APO Secretariat started the New Year with a restructured organization that promises to be leaner and meaner to serve member countries better as they strive to achieve greater socioeconomic development and marketplace competitiveness through enhancing productivity. This is part of an overall reform plan conceived by Secretary-General Shigeo Takenaka and endorsed by the APO Governing Body, which also encompasses personnel policies and project financial management.

Organizationally, the Secretariat started with three divisions at the time of its establishment in 1961: Administration and Budget, Program, and Information. The Agricultural Division was added in 1966 and Research and Planning Division in 1974. The Information Division eventually became the Information and Public Relations Division in 1986. In 1995, the Office of the Environment was established. All were subsequently renamed departments. This six-departmental structure was maintained until the end of 2006.

This structure had been functioning reasonably well until recently when various factors, including financial, necessitated the introduction of cost-cutting measures. For an organization with a staff of fewer than 50, six departments were considered too many, top heavy, and not cost-effective. In addition, having many departments also meant that each department was small in terms of staff size. That was not the most efficient way to utilize manpower resources as small departments do not allow for flexibility in staff deployment. With many departments, the overall coordination of the Secretariat's roles and responsibilities was made more complex. A leaner organization was thus called for. One possible option was to return to the original three-division system. However, in light of the expansion of programs and activities

over the years, it was more realistic to streamline the Secretariat into four departments: Industry Department, Agriculture Department, Research and Planning Department, and Administration and Finance Department. The services offered by the previous Environment and Information and Public Relations Departments were integrated with other departments. In other words, the organization will continue to devote substantial resources to Green Productivity-related projects and to its publication and IT programs. The reduction in the number of departments is also expected to contribute to better communications within the Secretariat and more efficient use of resources.

Not only does the Secretariat have a new organizational restructure, it also has a new look. The whole office layout had to be modified to accommodate staff redeployment as a result of the restructuring. However, the scale of the changes was major as the Secretariat also had to function in a smaller office space from January. This was necessitated by a 25% increase in office rental from this year. To avoid paying higher rent, the Secretary-General decided to reduce the space by about the same percentage. Renovation was undertaken in November and December last year. One positive outcome of the renovation was the discarding of old documents, files, and excess furniture no longer useful or necessary. Although Secretariat staff members have smaller work areas, the use of low partitions and filing cabinets makes for a more spacious and brighter office. Everyone is more visible. Meeting corners are available to facilitate communication and coordination among staff members for the better planning and organizing of APO activities. See page 2 for an overview of the new Secretariat structure and staff members in each department.



p-TIPS

• People working in modern offices share one thing in common: they spend most of their time in a cubicle or other partitioned-off space. Designed to maximize utility use and floorspace, cubicles undeniably lack privacy. A Web article contributed by the staffing firm Robert Hall International (careerbuilders.com/JobSeeker/caereerbytes/CBArticle/asp?articleID=247) urges cubicle denizens to show "a healthy respect for coworkers." Ten tips were offered for fostering productive relationships at work, no matter how cramped your personal environment.

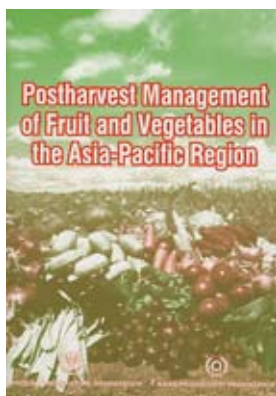
- 1) Be a courteous guest. Don't invade colleagues' work areas without a quick knock or "excuse me." Show respect by letting them decide whether an interruption is possible at that time.
- 2) Use your "library voice." Everybody is concentrating to meet deadlines, so keep your decibel level down when conversing.
- 3) Curb casual conversation. Office socializing builds useful friendships, but it's not productive to spend very long hashing over the cricket scores or latest movie blockbuster. Save personal chat for lunch or after work.
- 4) Stay home with the sniffles. Do everyone a favor and take a sick day rather than infect the whole office with a cold, flu, or worse.

Good manners make good neighbors (Rules for cubicle courtesy)

- 5) Have good scents. "Good scents" probably means "no scents." Never wear heavy perfume or aftershave at work.
- 6) Ask before borrowing. Seek permission before raiding coworkers' paperclip containers or borrowing a marker. Hopefully, they will then extend the same courtesy.
- 7) Avoid decor disasters. A few personal touches go a long way. Political posters, for example, may alienate those backing other parties.
- 8) Hit the right tune. You may work more productively to music; others experience it as a major distraction. Wear headphones and do not hum or sing along.
- 9) Avoid phone faux pas. If you need your cell phone during office hours, keep it nearby. Use a professional ringtone, since no one appreciates this week's Top of the Pops blaring out every time you get a call.
- 10) Be friendly. Away from your cubicle, say hello to others whether you are acquainted or not. You may require their help someday, and anyway, "the roof constitutes an introduction."



New APO publication



POSTHARVEST MANAGEMENT OF FRUIT AND VEGETABLES IN THE ASIA-PACIFIC REGION

Jointly published by the APO and FAO
312 pp November 2006
ISBN 92-833-2369-6 (hardcopy)
ISBN 92-833-7051-1 (e-edition)

Postharvest management determines food quality and safety, competitiveness of products in the market, and the profits to producers. However, the postharvest management of fruit and vegetables in most developing countries in Asia is far from satisfactory.

The sector suffers greatly from postharvest losses and the huge losses result in diminished returns for producers. International markets reject fruit and vegetables that contain unauthorized pesticides and products with inadequate labeling and packaging. Concerns about food-borne diseases also are becoming more serious. The major constraints in the fruit and vegetable sector in the region include inefficient handling and transportation; poor technologies for storage, processing, and packaging; the involvement of too many actors; and poor infrastructure.

In response to this situation, the APO organized two seminars on the issue: Reduction of Postharvest Losses of Fruit and Vegetables in October 2004 in India and Marketing and Food Safety: Challenges in Postharvest Management of Agricultural/Horticultural Products in July 2005 in Iran. This publication, edited by Dr. Rosa Rolle of the UN Food and Agriculture Organization, is a compilation of eight selected resource papers and 25 country papers on 16 nations presented at those two seminars. It also includes a summary of findings at the two seminars. The eight resource papers are:

- Recent Developments in Reducing Postharvest Losses in the Asia-Pacific Region by Dr. M. L. Choudhury, Commissioner (Horticulture), Ministry of Agriculture (India);
- Improving Postharvest Management and Marketing in the Asia-Pacific Region: Issues and Challenges and Processing of Fruits and Vegetables for Reducing Postharvest Losses and Adding Value by Dr. Rosa S. Rolle, Agricultural Industries Officer, Food and Agriculture Organization of the United Nations Agricultural and Food Engineering Technologies Service;
- Packaging and Transportation of Fruits and Vegetables for Better Marketing by Dr. Somjate Sirivatanapa, Director, Chiangmai Taveekun Ltd. (Thailand);
- Linking Production and Marketing of Fruit and Vegetables for Better Farm Incomes in the Asia-Pacific Region by Grant Stephen Vinning, consultant (Australia), and Joann Young, Ministry of Agriculture, Sugar, and Land Resettlement (Fiji);
- New Roles of Government in Improving Fruit and Vegetable Marketing at National and Local Levels by Dr. Bahaeddin Najafi, Professor and Head, Department of Agricultural Economics, College of Agriculture, Shiraz University (Iran);
- Measures to Assure Better Food Safety, Marketing, and Consumer Satisfaction in Fruits and Vegetables by Cornelis Sonneveld, Consultant, Alesun Food Technology (Canada);
- Postharvest Management of Fruits and Vegetables for Better Food Quality and Safety by Dr. Majid Rahemi, Department of Horticulture, College of Agriculture, Shiraz University (Iran).

For order and inquiry on APO publications and videos, please contact the Asian Productivity Organization, Hirakawa-cho Dai-ichi Seimei Bldg. 2F, 1-2-10 Hirakawa-cho, Chiyoda-ku, Tokyo 102-0093, Japan. Phone number: (81-3) 5226-3920, Fax: (81-3) 5226-3950, e-Mail: apo@apo-tokyo.org

COMMON SENSE TALK



“Design is like cooking. A symphony of different materials is the spices to create different dishes. I always start each project from ground zero and find inspiration everywhere. Everything is consequential.”

Antony Chan

“Establishing relationships is more important than taking in money.”

Sameer Jbari

“I think it’s a really interesting possibility that the forces that were active in our evolutionary past have led men and women to evolve somewhat differing concerns. But to jump from that possibility to the present, and draw conclusions about what people’s motives will be for pursuing one or another career, is way too big a stretch.”

Elizabeth Spelke

“It is our responsibilities, not ourselves, that we should take seriously.”

Peter Ustinov

“A good head and good heart are always a formidable combination. But when you add to that a literate tongue or pen, then you have something very special.”

Nelson Mandela

“The fragrance always stays in the hand that gives the rose.”

Hada Bejar

“If you want to know what a man’s like, take a good look at how he treats his inferiors, not his equals.”

Joanne Kathleen Rowling

“Leadership is a privilege to better the lives of others. It is not an opportunity to satisfy personal greed.”

Mwai Kibaki

“Being on par in terms of price and quality only gets you into the game. Service wins the game.”

Tony Allesandro

Facilitation for community development

People's participation is indispensable in community development. To facilitate this, it is important to establish a good rapport among local people who are the main actors in development, experts with professional knowledge, and government officials responsible for managing development resources. Facilitation has been regarded as a key in blending the knowledge and expertise of government, NGOs, and community members by establishing cooperation and improving coordination among them. Facilitation techniques have also been applied in business management, city planning, and adult education and to support team-building and problem-solving processes in private enterprises. In the training course on Facilitation for Community Development, organized by the APO in cooperation with the Ministry of Provincial Development and Training and Productivity Authority of Fiji in Nadi and Nadave, 10–17 November, with 27 participants from 15 member countries in attendance, experts underlined the importance of “appreciative inquiry” to search for positive aspects during the change process instead of problem solving to correct negatives.

The training course was conducted through learning by doing, active participation, role playing, facilitation in action, etc., with the resource persons and participants working as a team. At the final stage of the training course, a participatory writing workshop (PWW) was organized to document the points learned from the resource papers, country papers, and field visits. During the short period of the PWW, the participants produced a resource book on facilitation. It will be useful for organizers, moderators, and facilitators who want to enliven their own training courses and for those conducting management training to widen



Villagers explaining participatory plans

their repertoire. (For information on an APO video on PWWs, contact agr@apo-tokyo.org.)

Fiji is a unique example of participatory community development, since it has been declared a government policy and is being introduced nationwide. Project sites of rural community development in Namatakura and Molituva villages were utilized as learning venues in the training course. 🌀

Venture 2006 Kansai

The creation of new businesses is important for the revitalization of national economies. The APO Asian Forum on Venture Business as part of Venture Kansai is a major annual event under the APO's thrust area of strengthening SMEs and reflects the need to nurture and support venture businesses. Since 2000, the APO has teamed up with the Osaka prefectural government, Nihon Keizai Shimbun, New Business Conference Kansai, Osaka Chamber of Commerce and Industry (OCCI), Japan Productivity Center for Socio-Economic Development, and others to organize this annual forum. Venture 2006 Kansai was held 14 and 15 November in Osaka, its traditional location, and covered themes including New Technologies Developed by Challenging Fixed Ideas, Another Form of Venture—Second Founding of Companies, and Environmentally Friendly Technologies and International Competitiveness.

Venture 2006 Kansai comprised symposia and Venture Expo 2006 where 116 enterprises displayed products and services. The two-day event attracted about 15,000 visitors, especially to the exposition. Forty-nine participants from 15 APO member countries attended. As in other years, the APO's program included the facilitation of business plan presentations and a business matchmaking service.

Since 2003, the APO and OCCI have set up a dedicated Web site to facilitate business-matching called Virtual Business Talks. This year, 13 companies from APO member countries were involved in a total of 54 business matchmaking sessions with 43 Japanese companies at the OCCI building on the final day of the program, made possible through Virtual Business Talks, followed by face-to-face meetings. The Web site (<http://www.g-boc.com/>) remains open for one year to allow business contacts to continue after the forum.



Opening ceremony

Parallel to the forum, the APO held a study meeting on Venture Business Support, 13–16 November, with 23 individuals from 16 APO member countries attending. The meeting enabled participants to share experiences in promoting venture business and to discuss ways to create a favorable business environment through assistance and policy measures. The attendees were mainly from the government and financial institutions who assist venture start-ups, while participants in the Asian Forum on Venture Business were mainly from the private sector. The two groups joined to discuss ways to promote venture business support schemes.

Commercial dispute processing

The Asian economy is experiencing remarkable growth in regional and international trade, which is necessitating the transformation of systems and structures. A key element in ensuring prosperity is the creation of a platform of common practices in commerce and trade. The UN Commission on International Trade Law Model Law was adopted in 1985 to provide a solid base for the growth of international commercial arbitration through the harmonization and improvement of national laws. In addition to fostering international arbitration, equally important is the creation of a favorable environment for recognition and enforcement of international arbitration agreements. The Model Law is an important starting point for reviewing arbitration principles and practices in alternative dispute resolution (ADR).

The APO organized its first seminar on the Commercial Dispute Process, November 21–24, in New Delhi with the collaboration of the National Productivity Council of India, attended by 16 participants from 12 member countries. They included magistrates, lawyers, legal officers, academics, labor unionists, consumer protection advocates, and businesspeople. Viewed from the productivity viewpoint, commercial disputes have an immense effect on how businesses are operated. In the past, commercial disputes involving foreign parties were dealt with under the jurisdiction of the country of operation. But with more free trade areas, a new era of uniform rules of conduct in trade, investment, and labor laws has been ushered in.



Seminar participants in New Delhi

The four-day seminar was conducted by Professor Rajesh Sharma, Macao University of Science and Technology, and Professor Yasunobu Sato, University of Tokyo. They emphasized that arbitration and ADR can ensure that business growth is sustainable without resorting to legal professionals. The arbitration system encourages greater transparency in business, which empowers people to arrive at equitable dispute resolutions for the long term. The example of China was given. That country was able to attract foreign investment due to its arbitration-assisted commercial/trade dispute resolution system. China's Arbitration Center handles some 1,000 cases annually; in comparison, the International Arbitration Center handles only one-tenth of that number per year. 🌀

Energy efficiency and renewable energy for SMEs in the greater Mekong subregion

The long-term APO project, sponsored by the ASEAN Foundation, on Energy Efficiency and Renewable Energy for SMEs in the Greater Mekong Subregion of ASEAN: Reusing Biomass Waste in Industrial Boilers for Energy Recovery in Thailand, Vietnam, Cambodia, Lao PDR, and Myanmar in association with their NPOs and the Embassy of Myanmar in Japan and that country's National Planning and Economic Development Ministry, completed its final phase.

More than 99% of industries in the selected Mekong countries are classified as SMEs and most use boilers for steam, hot water, and energy. Traditionally these boilers use imported fossil fuels like coal, oil, and/or gas as energy sources. At the same time, millions of tons of biomass like rice husk, waste wood, coconut shell, horticultural and agricultural waste, etc. are generated in this region which can be utilized in boilers to replace fossil fuels. The use of biomass also provides environmental benefits in terms of stabilizing CO₂ emissions, helping to slow global warming.

The project was initiated with preparatory meetings in the five countries. Subsequently, a regional training program was held in Bangkok, 17–21 July, to finalize the training manual on biomass energy techniques, technological aspects of biomass boilers, and cost economics. This user-friendly manual will soon be available on the APO Web site. In the final phase, seminars were held on 21 September in Hanoi, Vietnam; 26 September in Vientiane, Lao PDR; 28 September in Phnom Penh, Cambodia; 3 October in Bangkok, Thailand; and 13 October in



National seminar participants engrossed in an expert lecture in Cambodia

Nay Pyi Taw, Myanmar, to discuss implementation issues at national level. In Vietnam, wood cogeneration systems can be considered. Rice husk is a prospective fuel candidate in Lao PDR and Myanmar. In Cambodia, some small gasification installations use forestry and agricultural waste. In Thailand, ethanol from biomass is commercialized to some extent. The economic feasibility of biomass boilers ensured that many entrepreneurs at the national seminars expressed interest in installing biomass boilers or retrofitting existing ones.



p-Experts deputed by the APO

BANGLADESH

Mr. Shaik Abdul Khader, India, was deputed as technical expert for the project on Productivity Management, Monitoring, and Analysis, 25–29 November 2006.

CAMBODIA

Mr. Yasuhiko Inoue, Director, International Department, Japan Productivity Center for Socio-Economic Development, was deputed as resource person for the national training course on 5S and Kaizen for SMEs' Middle Management and Supervisors under the APE-LDC Special Program, 4–6 December 2006.

REPUBLIC OF CHINA

Mr. Mutsuyuki Hagiwara, President, ISO-Masters Co., Ltd., Japan, was deputed as expert for the seminar on Application of Food Safety Management for Organizations in the Food Chain, 20–22 November 2006.

INDONESIA

Mr. Kazuhiko Kunita, Section Manager, Resource and Environment Group, Global Production Department, Production and Technology Administration Center, Amino Acids Company, Ajinomoto Co., Inc., Japan, **Mr. Seng Kit Chan**, Managing Director, K-Farm Sdn. Bhd., Malaysia, and **Dr. Bashir Ahmad**, Vice Chancellor, University of Agriculture, Pakistan, were deputed as resource persons for the seminar on Improving Food Security and Food Safety, 13–17 November 2006.

Mr. Yasuhiko Inoue, Director, International Department, Japan Productivity Center for Socio-Economic Development, and **Mr. Sabapathy Narayanan**, Principal Consultant, PSB Corporation, Singapore, were deputed as experts for the project on the World Quality and Productivity Congress, 29–30 November 2006.

MALAYSIA

Ms. Nina Maria B. Estudillo, Director, Institute of Productivity and Quality, Graduate School of Public and

Development Management, Development Academy of the Philippines, and **Mr. Choo Tuck Low**, Managing Consultant, Eunison Network Pte. Ltd., Singapore, were deputed as resource persons for the project on Development of Productivity Specialists: Advanced Program, 13–25 November 2006.

Ms. Lynn E. Johannson, President, E2 Management Corporation, Canada, **Ms. Irene Mia**, Senior Economist, Global Competitiveness Network, World Economic Forum, Switzerland, and **Mr. Paul Steel**, President, Total Quality Inc., USA, were deputed as resource persons for the workshop on Managing NPOs' Challenges in the 21st Century, 28–30 November 2006.

Mr. R.C. Monga, Consultant, India, was deputed as resource person for the workshop on IT for Productivity Specialists, 4–8 December 2006.

MONGOLIA

Mr. K.V.R. Raju, Director, Marketing and Planning, National Productivity Council, India, was deputed as expert for the project on Application of ISO22000 and Other Modern Food Safety Management Systems for Productivity Performance Improvement of SME Food Processing Units, 6–17 November 2006.

PAKISTAN

Dr. Harvinder Singh Chawla, Professor and Nodal Officer, Intellectual Property Centre, G.B. Pant University of Agriculture and Technology, India, **Dr. Peter Aun-Chuan Ooi**, Regional Director, AVRDC-The World Vegetable Center, Asian Regional Center, Thailand, and **Dr. Kalim Qamar**, USA, were deputed as resource persons for the seminar on Best Practices of Agricultural Technology Transfer and Commercialization, 4–8 December 2006.

SINGAPORE

Prof. Dr. Habil Werner Bidlingmaier, Bauhaus University, Weimar, Germany, was deputed as resource person for the International Conference on Best Eco-practices, 31 October–2 November 2006.

SRI LANKA

Mr. Koh Kasuga, Productivity Consultant, Japan, and **Ms. Marilou M. Calzado**, Productivity Consultant, Philippines, were deputed as resource persons for the workshop on Productivity Showcases and Demonstration Effects, 27–30 November 2006.

Mr. Koh Kasuga, Productivity Consultant, Japan, was deputed as resource person, and **Ms. Marilou M. Calzado**, Productivity Consultant, Philippines, was deputed as resource speaker for Strengthening NPO Services: in-country seminar on Sri Lanka Productivity Showcase: Progress Report and Sharing of Experiences of the Sri Lankan Model Companies, 1 December 2006.

VIETNAM

Mr. Paul Chandran, Principal Consultant, PSB Corporation, Singapore, was deputed as resource person for Strengthening NPO Services: Productivity and Quality Improvement at the Firm Level (Part 1), 13–17 November 2006.

Program calendar

Republic of Korea

Multicountry Study Mission on Rural Community Development: Experience of the Republic of Korea Focusing on the Saemaul Undong (New Community Movement), 26–30 March 2007.

Singapore

Study Meeting on Enhancing Market Access for SMEs in the Food Sector, 6–8 March 2007.

Sri Lanka

Workshop on Productivity Measurement in the Service Sector, 12–16 March 2007.

Thailand

Training Course on Improving Managerial Efficiency of Small and Medium Agroenterprises, 8–17 May 2007.

Member Countries

Technical Expert Services, 1–2 weeks per project.

Development of Demonstration Projects, 6–9-month implementation period per project.

Bilateral Cooperation Between NPOs, 1–2 weeks per project.

Kindly contact your NPO for details of the above activities, including eligibility for participation. If you need the address of your NPO, it is available from the APO Web site at www.apo-tokyo.org.

Mr. Danny Lam, Managing Consultant, PSB Corporation, Singapore, was deputed as resource person for Strengthening NPO Services: Productivity and Quality Improvement at the Firm Level (Part 2), 20 November–1 December 2006.

Mr. Koichi Hiratsuka, Counsellor, Japan Productivity Center for Socio-Economic Development, was deputed as resource person for Strengthening NPO Services: Model Company Activities for Developing SME Management Evaluation Criteria in the Mekong Region (Part 2), 27–29 November 2006.

Mr. Geok Boon Chua, Lead Auditor, Independent European Certification (M) Sdn. Bhd., Malaysia, was deputed as expert for the training course on Food Safety Management Systems According to ISO22000, 27 November–1 December 2006.

WEB BASED

Mr. Kenji Kohga, Partner, Strategy and Change, IBM Business Consulting Services, Japan, was deputed as resource person for the workshop on IT for Productivity Specialists, 4–8 December 2006.

APO/NPO update

New APO Alternate Director for Republic of China

Dr. Tyzz-Jiun Duh, Director General, Department of Industrial Technology, Ministry of Economic Affairs, was appointed the new APO Alternate Director for the ROC, w.e.f. 19 October 2006.

New NPO Head/APO Alternate Director for Nepal

Mr. Achyut Raj Sharma, General Manager, National Productivity and Economic Development Centre, was appointed the new NPO Head and APO Alternate Director for Nepal, w.e.f. 17 November 2006.

NPOs' challenges in the 21st century

The national productivity organizations (NPOs) in APO member countries recognize that they must transform themselves in the new century to remain relevant. They must acquire knowledge on current issues in the current increasingly competitive global market, improve their ability to devise and implement effective strategies to enhance productivity and quality in all enterprises, and attempt to incorporate organizational excellence approaches in national development plans.

As part of activities to commemorate the 40th anniversary of the National Productivity Corporation (NPC) of Malaysia, the APO and NPC jointly organized a symposium on Managing NPOs' Challenges in the 21st Century, 28–30 November, in Kuala Lumpur. Four key topics were covered: strategies for enhancing national competitiveness; managing human capital development; Green Productivity and sustainability, particularly for SMEs; and knowledge management.

The symposium drew not only participants from APO member countries but also local individuals from the private sector. Twenty-seven NPO heads and senior staff from 18 member countries were in attendance, along with some 50 private-sector senior managers and productivity and quality professionals. Three APO resource persons from the USA and Canada and three local speakers provided the resource inputs.

At the opening session, NPC Director-General Dato' Nik Zainiah gave a welcome address in which she highlighted the key issues faced by NPOs, such as increasing quality and customer value, enhancing competitiveness and innovation, managing change, and doing more with less. She pointed out that Malaysia had benefited tremendously from its productivity-driven growth initiatives. With the unveiling of the Ninth Malaysia Plan, the current administration is committed to realizing Vision 2020 to allow the country to attain developed nation status. The NPC's focus is on developing human capital and organizational excellence as well as nurturing creativity and innovation. Dato' Nik Zainiah called for NPOs to equip themselves to meet new challenges and not simply depend on their countries' wealth and stability.

APO Secretary-General Shigeo Takenaka next delivered a keynote address in which he congratulated the NPC Malaysia on its 40th anniversary and outlined three key challenges confronting NPOs. The first was the deregulation in virtually all APO member countries. As governments become smaller, the revenue base of NPOs will shrink. NPOs must explore ways to enhance their competitiveness by offering more valuable services to their clients, review their competitive advantage, and focus more on niche markets. The second was the necessity to focus on the service sector, a relatively a new area for most NPOs. Experience suggests that productivity improvement in the service sector is more complicated and demands more effort compared with that in the manufacturing and agriculture sectors, the Secretary-General pointed out. The main reason for this is that each customer is different and the underlying concept is the movement from mass production to mass customization of services. Therefore it will be important for NPOs to create a comparative advantage related to productivity improvement in the service sector. The third challenge was staff retention. Training and retraining together with attractive benefit packages will always be a must for organizational competitiveness. In a free-market economy, some degree of job hopping is inevitable, and competent NPO staff will naturally be sought after by other organizations in the public and private sectors. Their skills, abilities, and productivity knowledge can still benefit the nation even if they do leave the NPO.



Delegates on a field visit to Ingress Engineering

Presentations were made by resource speakers Paul Steel, Total Quality Inc. on the evolution of excellence; Tan Sri Ismail Adam, Director-General of Public Services Department, Malaysia, on the need for human capital development for business excellence; Dr. Irene Mia, World Economic Forum, on Malaysia's competitiveness; Lynn E. Johannson on Green Productivity for sustainable development; and Ghazali Mohamed Fadzil, Deputy Director, Centre of Knowledge Management, Central Bank of Malaysia, on managing knowledge.

A panel discussion led by Dato' Nik Zainiah with the NPO heads from India, Sri Lanka, Mongolia, the Philippines, Cambodia, and Bangladesh resulted in the recommendations that the APO should:

- 1) design a standard training program for quality assessors based on the updated Malcolm Baldrige Award criteria;
- 2) study productivity measurement in the informal sector, which is significant in some member countries and contributes to GDP growth;
- 3) emphasize public-sector productivity in national competitiveness agendas;
- 4) explore training certification for its projects, which would contribute to branding of the organization;
- 5) expand NPO–NPO collaboration;
- 6) design Category B projects to cover all countries with different focus areas; and
- 7) continue to focus on the practical aspects of knowledge management.

Secretary-General Takenaka stressed that the APO offered many schemes to develop the capabilities of NPOs such as study missions, the Bilateral Cooperation Between NPOs Program, and Technical Expert Services and urged NPOs to utilize them. He added that the APO would continue to support those programs. The Secretary-General called on NPOs to collaborate either officially through APO assistance schemes or bilaterally through direct contacts with one another.

The seminar wrapped up with a site visit to Ingress Engineering Sdn. Bhd. in Nilai to observe productivity and quality initiatives undertaken to increase competitiveness. 