



The Challenge of Sustainable Development in Asia

Report on the 2nd APO World Conference on Green Productivity (Part 2)

The 2nd World Conference on Green Productivity (GP) held in the Philippines, 9–11 December 2002, featured a total of 42 presentations. To accommodate them within three days, the program was divided into six plenary sessions with 18 presentations and four concurrent sessions with 23 presentations. The plenary sessions dealt with the broader issues of sustainable development, while the concurrent sessions focused on specialized and technical aspects of GP. The full program, including the list of speakers and their respective topics, can be viewed at the APO Web site at: www.apo-tokyo.org. This second part of the report on the conference highlights the special message of Asian Development Bank (ADB) President Tadao Chino which he presented at the opening session of the conference and the gist of three presentations selected for their complementary perspectives on sustainable development.



President Chino

ADB to reward positive GP behaviors

President Tadao Chino began his message with the reaffirmation that the ADB is firmly committed to poverty reduction. Asia's remarkable growth, he said, has often been accompanied by resource depletion and environmental degradation. The resulting hazards are causing severe suffering to many Asians, especially the poor. President Chino contended that for economic growth to be sustainable, it must take a different path from the past. To encourage this, the ADB is increasing its assistance to its developing member countries for integrating GP and cleaner production concepts in their development policy and planning. "We believe that such assistance, combined with a strengthened SME sector, will help countries achieve environmentally sound economic development and reduce poverty through job creation and more efficient productivity."

For wide-scale adoption of GP, President Chino advocated the establishment of multi-stakeholder partnerships involving business, government, NGOs, development agencies, research and academic institutions, and local communities to initiate and implement a multitude of actions. The key, he said, is to achieve sustainable development based on shared interests and goals.

President Chino noted that Asia will soon dominate the world's industrial production. In this context, the greatest challenge, particularly among SMEs, is to incorporate GP principles and practices into the production process. He called for the development of new approaches to provide a strong incentive for investors and designers to work together to expand GP across the region.

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"Customer needs do not remain static. There is no such thing as a permanent list of customers' needs."

Joseph M. Juran

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Navigating the soft spot

Uncertainty hurts business and upsets the economy. The economic malaise that confronts the US economy is well documented in the latest figures. Consumer confidence is at a nine-year low; personal bankruptcies set a new record in 2002; mortgage foreclosures are at a 30-year high; fourth-quarter growth last year was under one percent; and the stock market is \$8.4 trillion off its 2000 peak. This is not to mention the international crises that dominate the evening news. So what's the game plan? Steer around the soft spots and aim for an economic recovery.

The path to recovery faces two formidable roadblocks. One is unemployment and the other the health care crisis. Even President Bush's annual address to the nation put the economy before geopolitical concerns. A weak economy, job loss, and rising health care costs were dominant themes in his speech. The despair of unsuccessful, year-long job searches and the burden of skyrocketing health costs have workers clamoring for solutions.

“Two plausible explanations for the severe downturn in high-tech employment are price deflation and globalization.”

The unemployment picture is perplexing. How do you explain the collapse of the professional and high-tech employment sectors? Telecommunications and information technology (IT) workers are suffering the most. This defies logic. Are not these the jobs of the future? The same incongruity surfaced in the 1970s when engineers and scientists formed unemployment clubs along the high-tech corridors of America. These clubs are reappearing. WeWantWork-Boston.com reports having 40 unemployed executives on its roster capable of running a global company. The 495 Networking Support Group (reflecting the high-tech corridor along Route 495) started 18 months ago with a handful of people and now has 650 members.

The most eye-catching unemployment story appeared as an eBay ad. The ad read as follows: “Complete staff of ZDNET Tech Update, formerly a vital division of one of the top-ten highest-trafficked sites on the Web, currently available to instantly implement professional Web site or print magazine... asking for a commitment of annual salary and benefits in the high six figures.” The highest bid was \$600 before eBay suspended the ad.

Business jargon is hard-pressed to keep up with events. Hence, we have a new lexicon developing: GHOST WORK, the workload taken on by surviving employees without the experience and knowledge of the fired employee; ZOMBIES, high-tech start-ups that are still walking but have no money to operate; and NEGATIVITY BUBBLE, technology companies waiting for the bottom to drop out.

Two plausible explanations for the severe downturn in high-tech employment are price deflation and globalization. Low competitive pricing has reduced company profits to the extent that firms simply cannot sustain a high-salaried workforce. The choice is between bankruptcy and survival. The second explanation is the increasing export of professional and IT jobs overseas. This second round of globalization, as it is being referred to, finds US companies hiring highly qualified overseas talent at one-tenth the cost of its American counterpart. The quality differential does not justify staying with the US employee.

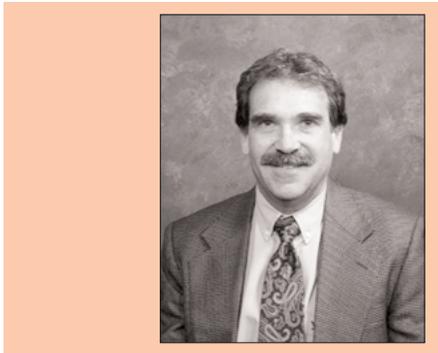
Double-digit increases in health care costs have severely compromised the quality of life of American workers. Health care now consumes 14 percent of the US gross domestic product. With health costs spiraling, workers have expressed concern and disappointment over the erosion of health benefits. Close to 1.4 million Americans lost their health insurance last year, mainly due to unemployment. Currently, 41 million Americans are without health insurance. Thirty million of those uninsured are from working families. Those who are fortunate enough to continue to participate in company-sponsored health plans saw premiums rise 12 percent, the highest increase in more than a decade.

Employers are also struggling to cope with increases imposed on them by insurance carriers. Employer-paid premiums jumped 13 percent last year and are estimated to increase 15 to 18 percent this year. Companies are subsidizing employee health plans to the tune of \$10,000 annually. Large corporations like Ford and GM face yearly charges of \$2.5 and \$5 billion, respectively. It is not surprising that companies are eager to pass on health costs to employees. Seventy-eight percent of large companies plan to charge workers more for their health insurance this year. Many small companies are dropping coverage altogether. In California, 42 percent of 37,000 firms belonging to the National Federation of Independent Business offer no health plan to employees. This trend is not sitting well with American workers. At General Electric a two-day national strike was called (the first since 1969) to protest GE's unilateral decision to increase workers' health insurance co-payments.

“Low competitive pricing has reduced company profits to the extent that firms simply cannot sustain a high-salaried workforce.”

eBay has used the current health insurance crisis as an opportunity. eBay is offering health insurance on its Web site to 30,000 of its most active merchants. eBay is fast becoming a salvation to those snubbed by the establishment. Over 130,000 people buy and sell on eBay. The on-line economy, as represented by eBay, might turn out to be a key survival strategy for Americans adversely affected by today's harsh economy. Entrepreneurship and self-employment, both top choices of the newly unemployed, are well served by the inexpensive and instantaneous reach of the Internet.

In such a sour economic environment, the craving for something sweet is irresistible. Productivity results in the third quarter of 2002 and over the previous 12 months should satisfy even the most insatiable sweet tooth. Productivity grew 5.1 percent in the third quarter and 5.6 percent over the past year,



the strongest showing in 30 years. Some analysts, however, wish to temper the celebration with a warning that even the New Economy's poster child—productivity—will not escape the consequences of the current downturn. They warn that productivity's Cinderella story is about to strike midnight. Greenspan is not wrong about IT's beneficial impact on productivity; business is just too fearful right now to spend, workers are burned out, consumers are broke, and the economy is not growing fast enough.

Executives are avoiding risk and this is undermining innovation and growth. When asked how to overcome the current breakdown in business innovation, Marc Andreessen, the founder of Netscape Communications, replied that innovation always comes from unsocialized, unshowered 19-year-olds living in their parents' basements. Parents should find those words encouraging. The 49 percent of Americans who are reportedly unsatisfied with their jobs now have a good excuse to stay home and clean the basement, hoping their "unconventional" child will be the next Bill Gates. 🌀

Michael Manson had a long and close association with the APO when he was the Assistant Director of the East-West Center's Institute of Economic Development and Politics in Honolulu. He helped to initiate a number of collaboration programs between the APO and the East-West Center. Manson also served in the Asian Development Bank, and was Director of Communications with the State of Hawaii's Department of Business, Economic Development and Tourism. He is presently an educator, and a regular contributor to this column.

From the SECRETARY-GENERAL'S schedule

January 2003

10 January

APO Secretary-General Takashi Tajima received Mr. Nobutoshi Akao, the newly appointed Secretary-General of the ASEAN Promotion Centre on Trade, Investment and Tourism, popularly known as the ASEAN-Japan Centre, who paid a courtesy visit to the APO Secretariat.

17 January

Attended the 2nd Japan-ASEAN Dialogue on "Japan and ASEAN: Cooperation for Peace and Prosperity in the Asia-Pacific Region," in Tokyo. The meeting was jointly organized by The Global Forum of Japan and the ASEAN Institutes of Strategic and International Studies.

27 January

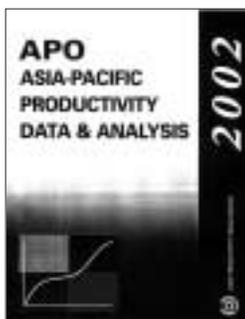
Paid a courtesy call on Mr. Jiro Ushio, Chairman and CEO of Ushio Inc. and Senior Councillor of the Keizai Doyukai (Japan Association of Corporate Executives).

College students visit APO Secretariat

On 5 February, the APO Secretariat played host to 20 students from Gakushuin Women's College. They were led by their professor and management consultant, Hajime Suzuki, whose services are frequently in demand by NPOs. The visitors, students of international cultural affairs, were briefed on the APO and its IT program by Kenneth Mok, APO Director for Information and Public Relations, and APO IT Program Officer Mukesh Bhattarai. Prof. Suzuki shared his experience and the insights gained serving as a technical expert in APO member countries and as a resource person in APO training programs. The students' visit was a rare but most welcomed occasion for the APO Secretariat. It provides an opportunity to acquaint the Japanese public, especially young people, with the mission of the APO in general and the importance of productivity to the region's development in particular.



Kenneth Mok briefing the students



APO ASIA-PACIFIC PRODUCTIVITY DATA AND ANALYSIS 2002

APO 287 pp. January 2003
ISBN 92-833-1142-6 (paperback) US\$ 29.00

On 31 January 2003, the APO released the *APO Asia-Pacific Productivity Data and Analysis 2002*. This is the second volume in a landmark series the APO launched in 2001 to provide policymakers, corporate leaders, and all other stakeholders in its member countries with a set of vital, fundamental, and authoritative economic and productivity information to assist them in their strategic thinking, policy formulation, and plans of action.

This book is divided broadly into three parts. Part One is a set of analysis reports of the data of each of the 17 participating APO member countries prepared by specially appointed national experts who also assembled the data. Part Two is a collection of 71 economic and productivity indicators of the participating countries, each of which gives a 10-year time-series data set arranged into the following eight categories: Productivity; National Economy; Green Productivity; People; Management and Innovation; Trade and Investment; Infrastructure; and Information Technology. Part Three is a list of the data sources for each indicator used by the national experts and arranged by country.

The information provided in the publication is useful for the participating countries to: 1) compare results achieved in the productivity drive with their own planned targets and with those of other countries; 2) check progress made in various economic and productivity endeavors; 3) identify areas where measures for improving productivity are needed; and 4) formulate policies for achieving sustained socio-economic development and a more effective productivity movement.

In this 2002 edition, a description of both the conceptual framework and structural format of the study was included. Other improvements compared with the earlier edition are:

- a. The number of indicators for which data were collected was substantially expanded from 42 to 71, and the number of categories was increased from six to eight. For the first time, data on the following subsectors are included under Labor Productivity Growth Rate and Share of GDP: mining and quarrying; manufacturing; electricity; construction; trade, restaurant, and hotel; financial and real estate; and community and social services.
- b. In the analysis reports, as an added value, the national experts have provided policy suggestions for the consideration of their respective policymakers, corporate leaders, and all other stakeholders.
- c. The number of participating countries was increased with the addition of Sri Lanka.

Among the major characteristics of the first edition that were retained are: 1) the data collected are confined to those of the participating countries and of four benchmark countries—major developed countries outside the APO membership—which are included for more complete comparative study and evaluation by the participating countries; and 2) no ranking is made of the participating countries. The data are for each country to make its own assessment of its performance as measured against those of other countries.

For order and inquiry on APO publications and videos, please contact the Information and Public Relations Department, 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) 5226-3927, Fax: (81-3) 5226-3957, E-mail: ipr@apo-tokyo.org

COMMON SENSE TALK



“Money never starts an idea; it is the idea that starts the money.”

W. J. Cameron

“Study the past if you would define the future.”

Confucius

“Look at a day when you are supremely satisfied at the end. It’s not a day when you lounge around doing nothing; it’s when you’ve had everything to do, and you’ve done it.”

Margaret Thatcher

“When a man has put a limit on what he will do, he has put a limit on what he can do.”

Charles M. Schwab

“Business, more than any other occupation, is a continual dealing with the future; it is a continual calculation, an instinctive exercise in foresight.”

Henry Luce

“Reorganization is the permanent condition of a vigorous organization.”

Roy Ash

“To improve is to change; to be perfect is to change often.”

Winston Churchill

“The competitor to be feared is one who never bothers about you at all, but goes on making his own business better all the time.”

Henry Ford

“Customer needs do not remain static. There is no such thing as a permanent list of customers’ needs.”

Joseph M. Juran

“The fact is you’ll never have all the information you need to make a decision—if you did, it would be a foregone conclusion, not a decision.”

David Mahoney

— Thailand forms APO Society —

In November 2002, Thailand joined countries like Bangladesh, the Philippines, and Sri Lanka in establishing an APO Society. This is a grouping of people who had participated in APO projects. They come together as an association to pursue a common interest, that is, the enhancement of their productivity knowledge and skills through mutual exchange of information and experiences, and to champion a common cause, the promotion of productivity awareness in the country in general and in their respective organizations in particular, specifically as partners of the national productivity organization (NPO).

The APO Society in Thailand was initiated by the Thailand Productivity Institute (FTPI), the NPO of Thailand. The idea was first mooted in April 2002 and former APO participants in the country were invited to join the society as members. Four hundred responded affirmatively. Prior to its official launch and as a means for the members to get acquainted with each other and to encourage others to join, the FTPI organized five half-day seminars for the society's membership. Subjects covered included: Cross Functional Alignment, New Business Strategies for SMEs, Waste Reduction for Productivity Improvement, Customer Relationship Management for the Service Sector, and Poka-Yoke.

The society was officially launched on 28 November by Mr. Manu Leopaiprote, Permanent

Secretary of the Thai Ministry of Industry and APO Chairman, at a ceremony attended by close to 100 members. In his address on the occasion, Mr. Manu said that productivity is a basic tool for improving the standard of living of the people. Those with a productivity mindset, as exemplified by the society's members, would always endeavor to improve the way they do things, to be more efficient and effective, he added. In seeking to increase productivity in the organizations they work for, they will also be contributing to the nation's productivity, declared Mr. Manu. He congratulated the FTPI for establishing the society and called on the members to create a strong network of productivity activists to support the national productivity movement in its quest to enhance the country's competitiveness in the world.

APO Secretary-General Takashi Tajima sent a congratulatory note to the society which was presented by Dr. Syed Ahmad, APO Industry Program Officer, at the inauguration ceremony. The Secretary-General described the occasion as a milestone for Thailand which should contribute greatly to the country's productivity movement and activities. The formation of the society, Mr. Tajima said, would provide better and more opportunities for members to share the knowledge and insights gained from attending APO projects. This would help to create a greater multiplier effect for APO programs and activities. He called on the



APO Chairman Manu Leopaiprote addressing the APO Society

society and the FTPI to work closely together to support and complement each other's efforts in enhancing productivity in Thailand.

The inauguration ceremony also featured a presentation on "Corporate Strategic Alliances" by Dr. Teerayout Wattanasupachoke, Associate Director of Chulalongkorn University's MBA program, who had attended an APO symposium on the same subject held in the Republic of Korea in October. ☺

IT for enhancing agriculture extension services

At the start of 2003, on 8–14 January, 19 agriculture extension personnel from 15 Asia-Pacific countries (including 13 APO members) met in New Delhi, India, as participants in an APO study meeting to discuss promoting the use of IT for more effective agricultural extension services. These services have a major influence on the effective transfer of technology from research institutions to farmers and in providing feedback from farmers to researchers to ensure that the new technologies meet the needs of the farming community. IT is seen as a promising tool to improve this process. The study meeting reviewed the current status of IT-based agriculture extension services and proposed suggestions for more intensive IT applications, including capacity building.



Participants in a field trip to Ramapura Dabri Village where they observed the functioning of an IT kiosk for farmers

Overview of sustainable development

The first presentation selected for our special focus on sustainable development provided a kaleidoscopic overview of the concept, its current status, and its significance to productivity. The speaker was Professor Emil Salim, a former cabinet minister of Indonesia and Chairman of PrepCom4 of the United Nations World Summit on Sustainable Development (WSSD).



Prof. Salim

Sustainable development, Prof. Salim said, comprises three interdependent components: social, economic, and environmental. These are supported by social, economic, and natural capital, respectively. Social capital refers to societal and human resources; economic capital to finance and trade; and environmental capital to natural resources, including ecological systems and biodiversity resources. Sustainable development is the enhancement of these three resources and this should be achieved through public-private partnership as the task is not just that of the government alone but of business, civil society, and international institutions as well.

In the pursuit of sustainable development, Prof. Salim added, there should be: 1) diversity of approaches to reflect the diverse needs of countries; 2) multi-lateralism as each country should have the right of self-determination; 3) regionalism to reflect regional differences; 4) an inclusive process involving all stakeholders; and 5) a holistic approach covering the social, economic, and environmental aspects.

As Prof. Salim sees it, the government, business, and civil society form a triangle of power in development. However, in Asia, this triangle of power is in disequilibrium, with civil society being the weakest member. As a result, the market system registers only the needs and interests of government and business. The emphasis therefore is on economic development. "This is the reason why Asia faces the problem of poverty and environmental degradation." The solution is to achieve equilibrium by empowering civil society.

Although Asia is seen as the "engine of growth" of the 21st century, its current development, according to Prof. Salim, is characterized by: 1) uneven growth among countries in the region; 2) structural transformations in several economies; 3) increasing urbanization; 4) rising poverty; 5) worsening environmental degradation; and 6) population explosion. To resolve these issues, Prof. Salim calls for an Asian paradigm shift from economic development to social and environmental development. He prescribed five remedial measures: introduce total factor GP; replace nonrenewable sources of energy with renewable ones; promote greater use of clean technology; reduce and recycle waste; and ensure more equitable sharing of the benefits of development.

Good governance and sustainable development

"Governance and sustainable development are two of the most important concerns that ought to be addressed by any government entity if only to promote the general welfare of its people." This was the central message of the Philippine Congress Senate Majority Leader Loren Legarda in her address to the conference. Governance, she said, is the collective exercise of the government, private sector, and civil society to manage a nation's affairs. She cited a number of the principles of good governance, including: grassroots participation through decentralization and localization; transparency and accountability; effectiveness and efficiency; and social justice and ecological integrity.

Senator Legarda went on to state that the challenges of achieving sustainable development are almost always concomitant with the absence of good governance. Among the common problems most nations faced are: 1) prevalence of graft and corruption; 2) lack of encouragement for NGOs to take responsibility; 3) insufficient governmental support; 4) limited avenues for public participation; and 5) limited public access to environmental information. Sustainable development anchored on good governance would require a holistic and broad-based strategy that embraces the political, social, economic, and cultural aspects of a nation, the senator added.

Senator Legarda listed the initiatives undertaken by the Congress of the Philippines to provide good governance for sustainable development. A number of laws were enacted in this regard. The earliest official policy statement was the 1989 Philippine Strategy for Sustainable Development which has 10 guiding principles.

"While the crafting of laws is an important aspect of governance for sustainable development, good laws that are not effectively implemented are worthless." The senator believes that good governance should start at the *barangay* or local community level where it is doable and achievable. A possible constraint is the lack of funds which is compounded by the problem of graft and corruption. She said that legislation and other initiatives should respond to the problems and issues that need to be addressed. "The responsible leadership of the government should be at the forefront in this endeavor."



Senator Legarda

Noncompliance—bane of sustainable development

The final paper to be highlighted touched on the neglected subject of non-compliance. The speaker was Dr. Goh Ban-Lee, Associate Professor, Universiti Sains Malaysia School of Social Sciences. Despite the fact that several specific international agreements have been ratified, like the Basel

(Continued on page 7)



p-Experts deputed by APO

BANGLADESH

Dr. Shinichiro Kawaguchi, President, MSC Consulting Ltd., Japan, and **Mr. Hajime Suzuki**, Consultant, Japan, were deputed to conduct a Member Country Support Program, 4–9 January 2003.

Mr. Tadashi Sugiura, President, Management Qualtechs, Japan, was deputed to provide training on Activating QC Circles for Enhancement of Quality & Productivity, 18–23 February 2003.

INDIA

The following were deputed to serve as resource speakers in the study meeting on Application of Information Technology for Effective Agricultural Extension, 8–14 January 2003: **Mr. Michael Riggs**, Information Management Specialist, FAO Regional Office for Asia and the Pacific, Thailand; and **Dr. Ajit P. Maru** and **Dr. Helen Hambly Odame**, Research Officers, Informational Service for National Agricultural Research, The Netherlands.

INDONESIA

Mr. Ramesh Suriyanarayanan, Senior Consultant, Novo Environmental Technology Services Pte Ltd., Singapore, was deputed to render technical expert services at the National Convention on Occupational Safety and Health, 13 January 2003.

NEPAL

Mr. Shunsaku Nakajima, Representative, Nakajima Engineering Consulting Office, Japan, and **Mr. Shigeru Ueda**, Manager, EQS Center, Consulting Department, JPC-SED, Japan, were deputed to conduct a training program for Internal Auditors and Consultants, 24–29 January 2003.

THAILAND

Mr. Robert Osterhoff, Vice President & Director, Corporate Quality and Knowledge Sharing, USA, was deputed to provide consultancy services to FTPI on Knowledge Management Capacity Building, 10–14 February 2003.

Mr. Richard L. Hurlbert, President, TBX Group, Ltd., USA, was deputed to conduct the Thailand Quality Award Program, 24–28 February 2003.

Dr. P. V. Narayanan, Professor and Director, SIES School of Packaging, Packaging Technology Centre, India, was deputed to serve as resource speaker in the workshop on Creative Design for Packaging Industries, 27–31 January 2003.

VIETNAM

Dr. Shinichiro Kawaguchi, President, MSC Consulting

Program calendar

Malaysia

Training Course on Productivity Measurement at Enterprise Level, 5–9 May 2003.

Seminar on Benchmarking, 30 June–4 July 2003.

Singapore

International Conference on Water Resource Management and Green Productivity, 22–24 April 2003.

Sri Lanka

Training Course on Safety and Risk Management, 19–23 May 2003.

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.

Ltd., Japan, and **Mr. Hajime Suzuki**, Consultant, Japan, were deputed to conduct a Member Country Support Program, 13–20 January 2003.

2nd APO World Conference on Green Productivity(Continued from page 6)

Convention, Montreal Protocol, Climate Change Convention, Convention to Combat Desertification, and the Convention of Biodiversity, and that a number of laws, by-laws, and municipal rules and regulations has been introduced by each nation in the world to protect the environment and promote the welfare of its people, ecological degradation continues to worsen and poverty is on the increase. The culprit is noncompliance. “Although there are no comprehensive data, from the little that is known, there is no doubt that the incidence of non-compliance with environmental rules and regulations is high.”

Dr. Goh said that the overall consequence of noncompliance is environmental degradation, the development of unpleasant and unhealthy human settlements, and ultimately erosion of the quality of life. Among the possible reasons Dr. Goh cited for noncompliance, at least with regard to municipal rules and regulations in urban Malaysia, were: ignorance of the rules and/or their rationale; unclear rules; indifference; high cost of compliance; inadequate penalties; and inadequate or absence of enforcement action against those who do not comply. He believes that the same reasons are also applicable to acts of noncompliance with national laws and international agreements.

Poor governance is seen as the most significant reason for the high incidence of noncompliance. This is reflected in its inability to undertake: 1) activ-

ities to protect the environment; and 2) measures to enforce compliance. Dr. Goh further said that an effective way to encourage good governance is to provide programs that business and governmental leaders can implement. One such program that has great potential is the APO GP program with its twin objectives of productivity enhancement and environmental protection. “Crude as it may sound, without the carrot of increasing productivity, it is very difficult to get many businessmen to embrace strategies that protect the environment.” In addition, the GP approach, with its emphasis on participation, teamwork, and consultation, has the characteristics of good governance.

In concluding his presentation, Dr. Goh warned that every single case of noncompliance not only contributes to environmental degradation but also sets a bad example for others to follow. Taken to the extreme, he said, the whole concept of the rule of law is threatened, and civil society as we know it will become untenable.



Dr. Goh

Innovation is within the reach of everyone

Gillian Lim, Manager, Corporate Communications, SPRING Singapore

Last year, Singapore celebrated 21 years of its productivity movement. The major commemorative event was the national productivity rally held on 3 December and graced by the Singapore Head of State, President S.R. Nathan. On that occasion, the Singapore workforce was challenged with the mandate of “co-creating a better tomorrow through productivity and innovation,” which was also the rally theme.

In the first 18 years of its productivity movement, Singapore had to deal with issues like skills upgrading, labor-management relations, and quality. These helped to sustain high productivity then. However, in order to continue to attain world-class productivity levels, Singapore has to make a paradigm shift from an industrial, input-driven economy to one that is knowledge based and innovation driven.

Delivering the welcome address at the rally was Lim Boon Heng, Minister, Prime Minister’s Office and Chairman, SPRING Singapore. Standing on a stage set as a playground with lively schoolchildren, he called on the people of Singapore to remake their country into a more innovative society, adding that Singapore has to become more than just a “brand” renowned for efficiency and discipline; it must become the byword for innovation and enterprise as well. “The new economy is one where there are tremendous opportunities waiting to be seized, if we are willing just to reach out and try. It is like a playground that beckons to curious little children who explore and experiment without constraints or preconceived notions. We need to have more child-like qualities so that we can be innovative, thinking new ideas, and trying new ways of doing things all the time. Innovation is fun. It is rewarding. And it is within the reach of everyone.”

President Nathan called on the Singapore workforce to step up to the next



President Nathan talking to award winners

level of competition and added, “Just as in 1981, a concerted effort is now needed from the workforce, government, industry, and unions to manage this transition to be an innovation-driven economy. We must strive to entrench innovation practices and habits and equip our workforce with innovation skills. We need to work at bringing about a mindset change to make our workforce as innovative as any in the developed countries.”

The president also called for “innovation management,” as innovation is not simply about a chaotic mass of ideas. Instead, ideas have to be culled and evaluated and the useful ones quickly implemented. He said that creativity, discipline, organization, and standardization can, and must, exist side-by-side. Organizations, he continued, must invest in building up their people’s innovative skills.

At the rally, President Nathan conferred the National Productivity Award on 21 outstanding individuals who have made significant contributions to productivity and innovation at their respective workplaces. In his address, he made reference to them and said, “They come from all walks of life and represent different levels of the workforce in different industries. These individuals demonstrate that innovation is within the reach of everyone and that every worker can make a disproportionate contribution to the workplace, if he or she is willing to go the extra mile.”

Among the award recipients were She Ah Hock, 38, who was born deaf, and Thiyagarajan Gopal Pillay, 53, who was stricken with polio at the age of three. Ah Hock works as a logistics helper at a downtown department store. His employer has only high praise for him as he is full of innovative ideas to make his work more productive. Likewise, Thiyagarajan is also a model worker who is constantly seeking ways to add value to his work. These two awardees are a vivid testimony that innovation is indeed within the reach of everyone. 🌀



Minister Lim Boon Heng delivering his welcome address