



A·P·O *news*

MONTHLY NEWSLETTER OF THE ASIAN PRODUCTIVITY ORGANIZATION

NPO Heads confer in Sri Lanka

On 10–12 February this year, more than 50 delegates and advisers from 18 Asia-Pacific countries converged on Colombo, Sri Lanka, to attend the APO 44th Workshop Meeting of Heads of NPOs (WSM). This is the program planning and consultative meeting that the APO Secretariat holds annually with the Heads of NPOs and agriculture representatives of member countries. They were joined by eight observers from four international organizations with which the APO has close collaborative relationships. The meeting was inaugurated by the Sri Lankan Minister for Christian Religious Affairs Mr. John Amaratunge. Other dignitaries at the opening session were the APO Director for Sri Lanka and Secretary, Ministry of Employment and Labor, Mr. Mahinda Gammanpila, who gave the welcome address; keynote speaker Mr. Charitha Ratwatte, Secretary, Ministry of Finance and Ministry of Policy Formulation; and APO Secretary-General Takashi Tajima who presented his statement (see page 2 for full report). Mr. M.A.R.D. Jayatilake, Head of the Sri Lanka National Productivity Secretariat, and Dr. S.K. Pachauri, Director-General, National Productivity Council of India, served as the meeting's Chairman and Vice Chairman, respectively.



WSM delegates

Mr. Mahinda Gammanpila, in his welcome address, expressed gratitude to the APO and other member countries for giving Sri Lanka the honor of hosting the WSM, which brought together countries large and small, developed and developing. Despite this diversity, they are united by a common bond, the *mantram* of productivity. Each country would have to find its own approach and strategy in productivity improvement, he said, adding that there was much the member countries could learn from one another, especially in establishing the right fundamentals and policies to achieve higher productivity, the key to development for most countries. In this context, the APO could play a pivotal role in facilitating the process.

“Productivity is influenced by employees’ ability and effort,” said keynote speaker Charitha Ratwatte. For this reason, companies are investing in training programs, creating a competitive environment where individuals want to contribute,

(Continued on page 6)

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“No institution which does not continually test its ideals, techniques, and measure of accomplishment can claim real vitality.”

John Milton

INSIDE

- 2....Secretary-General's statement to Head of NPOs
- 3....The Secretary-General's schedule
- 3....The 2003 quiz winners
- 4....New APO publications
- 4....Common Sense Talk
- 5....APO-JICA collaboration on rural life improvement program
- 5....“Tough words” Karatsu at the APO Secretariat
- 6....APO Secretariat has new officer
- 7....APO-NPO update
- 7....p-Experts
- 7....Program calendar
- 8....Productivity strategy for public-sector enterprises

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Secretary-General's statement to Heads of NPOs

APO Secretary-General Takashi Tajima's statement to the Heads of NPOs at the 44th Workshop Meeting highlighted major activities the APO conducted over the past year, with specific reference to the thrust areas.

Knowledge management (KM) leads the field of the five APO thrust areas. Knowledge has become a key driver of productivity and economic growth, said Mr. Tajima. Projects on KM implemented by the APO last year covered such subjects as intellectual property rights, learning organizations, and entrepreneurship and innovation. Resources were also deployed to support member countries' KM programs as well as to build the NPOs' capabilities in KM. Future KM activities will see a shift in focus from applications in large corporations to SMEs and from an IT to a non-IT environment.

The strengthening of SMEs was the next thrust area that the Secretary-General touched on. Mr. Tajima contended that for SMEs to be competitive, they must seek new market niches, improve their techno-managerial capacities, and establish cross-border strategic alliances. Current emphasis in the APO SME Program is on nurturing and strengthening the entrepreneurial spirit, he added. "Most SMEs lack the capability to build their own competencies in a rapidly changing business environment." In light of this, the APO will undertake additional activities to cater to the specific needs of SMEs. A good example is the ongoing survey on microfinancing.

On the Green Productivity (GP) thrust area, Mr. Tajima said that the APO continued to implement its successful GP Demonstration Projects (GPDP) Program. A new category B regional GPDP on energy efficiency and greenhouse gas-emission reduction was launched last year. In response to the APO 2nd World Conference on GP held in 2002, three core priority areas were designated: greening supply chains; resource and waste management; and World Summit on Sustainable Development Type II Initiatives on GP-Integrated Community Development (ICD) and Sustainable Investment Global Network for the Triple Bottom Line in Asia. The Secretary-General also reported on the formation of the GP Advisory Committee comprising Japanese business leaders to advise the APO on GP activities, especially greening supply chains.

Under the ICD thrust area, two approaches were

adopted to promote the involvement of local people in activities to reduce poverty and income disparities: 1) implementation of GPDP in communities; and 2) development of a core cadre to facilitate ICD activities through knowledge sharing and skill development. "The ICD Program will be further strengthened by learning from the wisdom of regional movements like the 'one village, one product' campaign," said Mr. Tajima.

"A nation's sustainable development cannot be ensured without the sound development of the agriculture sector," noted the Secretary-General. For this reason, an important aspect of both the GP and ICD thrust areas is the development of this sector. In 2003, issues addressed included marketing infrastructure, food certification systems, water resource management, and women entrepreneurs in business. He further said that major efforts will be made in two priority areas: 1) strengthening competitiveness in agriculture and agribusiness; and 2) promoting sustainable development. The Secretary-General reiterated his call to the NPOs to be more actively involved in the agriculture sector and to establish closer relations with agriculture-related authorities.

The thrust area of the Development of NPOs (DON) is to help enhance the capabilities of NPOs to play a pivotal role in leading the productivity movement at the national level. An integral part of DON is the mentoring assistance provided by more advanced NPOs to the other NPOs, especially in information sharing through expert deputation and attachment training. The Secretary-General cited a number of examples of such cooperation, including SPRING Singapore helping the Vietnam Productivity Center to develop in-house service quality capability and the memorandum of understanding on staff development signed between the National Productivity Council of India and National Productivity and Development Center of Mongolia.

Apart from the thrust areas, the Secretary-General also referred to the following:

1. The APO Secretariat has intensified the use of IT (intranet, APOnet, and Web site) to improve work productivity; ensure more efficient



Mr. Tajima giving his statement

sharing of information between the NPOs and the Secretariat; introduce e-books on the APO Web site; launch Web-based training programs; promote networking among APO participants; disseminate information; and reduce administrative costs, like savings in telephone and postal charges.

2. A biennial post-project evaluation exercise was proposed to present the achievements of APO projects in a more tangible manner so as to solicit more financial and other support from member countries, national and international agencies, and the public. The methodology will be worked out in consultation with the NPOs.
3. The annual *APO Asia-Pacific Productivity Data and Analysis* publication represents an important core competence of the APO. However, the quality of the publication is largely dependent on the competency of the national experts, who were recommended by the NPOs, to collect the data and prepare the analysis reports. The NPO heads should evaluate their work and, if necessary, replace them with others more competent.
4. In the APO Two-Year Plan for 2005 and 2006, the number of Category B and C projects will increase substantially. Budget-wise, they will constitute 48% and 54% for 2005 and 2006, respectively.
5. Among the cost-saving measures undertaken in 2003 were the use of discount air tickets by staff members, participants, and resource persons, and the implementation of e-learning pro-

jects. NPOs were requested to ask their governments for financial support to meet all local implementation costs when hosting APO projects.

6. Although the APO has established working relationships with numerous national and international agencies, further efforts will be made to develop new partnerships. Grateful appreciation was extended to all the organizations that had collaborated with the APO in organizing projects over the past year.

7. As there were many inquiries from countries outside the Asia-Pacific region interested in joining the APO as associate members, the APO Convention does not spell out the duties and obligations of associate members, and expansion of the APO network would likely bring new benefits to member countries, the following draft provisions for APO associate membership were submitted for consultation to the delegates before proposing them to the next Governing Body for consideration:

- The associate member should be a government.
- It should bear a certain amount of membership contribution.
- It should meet travel expenses, including airfare and subsistence allowances, and local implementation costs when taking part in APO projects.
- It has no voting rights at Governing Body Meetings.

8. The delegates were reminded of the spirit of mutual cooperation and friendship that has helped the NPOs to build up their capacities and capabilities and contributed to the economic development of the region. The recent national productivity roundtable conferences in Indonesia and Laos were important milestones for both countries because of the cooperation and readiness of other member countries to share with them their rich experiences.

9. A development gap exists among member countries and measures to alleviate it should include understanding their diversifying needs, designing country-specific strategies, and designating priority projects. Many countries in Asia are working toward better economic cooperation through free trade agreements or economic partnership agreements. Although the APO has been concerned primarily with micro issues, there is also a need to take into account emerging economic scenarios at the macro level.

10. The Lao People's Democratic Republic joined the APO in 2003. Cambodia has unofficially expressed a desire to become a member as well. These are clear manifestations of the appreciation of the APO by countries in the region. It also means the APO must shoulder greater responsibility. The NPOs and the Secretariat should strengthen their ties and cooperation further to provide a better quality of life for all people through productivity enhancement. 🌀

From the SECRETARY-GENERAL'S schedule

February 2004

4 February

APO Secretary-General Takashi Tajima received Acad. Blagovest Sendov, Bulgarian Ambassador to Japan, who paid him a courtesy call. Mr. Tajima was the Japanese Ambassador to the Republic of Bulgaria from 1989 to 1992, at which time Ambassador Sendov was Chancellor of Sofia University and Chairman of the National Assembly.

8-13 February

Attended the APO 44th Workshop Meeting of Heads of NPOs in Colombo, Sri Lanka (see front page and page 2 for full report). Paid a courtesy call on Sri Lankan Minister for Employment and Labour Mahinda Samarasinghe. Others present were APO Director for Sri Lanka Mahinda Gammampila, Alternate Director M.A.R.D Jayatilake, and APO Director for Administration and Finance (Secretariat) N.G. Kularatne.

The 2003 quiz contest winners are...



Ms. S. Watanabe (L), Environment Department, and Ms. C. Sakaguchi, Agriculture Department, picking quiz winners

The APO News quiz contest announced in the December 2003 issue attracted 90 entries, of which 71 had 100% correct answers. With only 10 cash prizes of US\$50.00 each to be won, the winners were decided by lucky draw. As in past years' quizzes, to ensure impartiality, we invited two staff members in the APO Secretariat who are not involved in the production of the APO News to pick winning entries. Unfortunately, there were no winners in the supplementary productivity slogan contest.

We thank all those who took part in the quiz and congratulate all the prize winners. You should be hearing from us very shortly.

Quiz winners

- | | |
|---------------------------------|---|
| Mr. K.A. Krishnan (India) | Mr. Syed Jawad Hussain (Pakistan) |
| Dr. C.S. Sharma (India) | Ms. Nina Maria B. Estudillo (Philippines) |
| Ms. Farzaneh Askari (Iran) | Ms. Tng Ping Ping (Singapore) |
| Mr. Amir Abas Mahmoudian (Iran) | Mr. Wickrama Waragoda (Sri Lanka) |
| Mr. Janak P. Udaya (Nepal) | Ms. Ladawan Kumpa (Thailand) |



New APO publications



DIGITAL DIVIDE IN ASIA

APO 218 pp. December 2003 ISBN: 92-833-2351-3

The IT Charter adopted at the Summit Meeting of Heads of Nations held in Japan in 2000 paid particular attention to the growing gap between countries that have successfully coped with the digital economy and those that have not. Since then, various measures have been introduced to rectify this digital divide. Unfortunately, this matter is not a simple phenomenon as it is the result of complex interactions among social, economic, and political factors, most of which are country specific.

In 2001, the APO conducted a survey in six member countries—India, Indonesia, Pakistan, Philippines, Thailand, and Vietnam—to determine the nature and magnitude of the prevailing digital divide in the region with the objective of evolving policy suggestions and measures to bridge the gap. Since the digital divide is so complex, a simplified model was used in the survey based on the proposition that it is caused by inadequate social infrastructure development, like IT/telecommunications and education infrastructure, and reflected in: 1) inequality of income distribution; 2) gaps in the scale, growth, and productivity of the industrial sector; and 3) shortfalls in national economic growth and productivity.

This publication provides an integrated summary of the survey findings and recommendations and the national reports of the participating countries.



GREEN PRODUCTIVITY TRAINING MANUAL

APO 255 pp. October 2003 ISBN: 92-833-2350-5

The APO launched the Green Productivity (GP) Program in 1996 to provide a practical system that integrates environmental protection with productivity improvement at the firm, farm, and community levels. Since then, the program

has been successfully implemented in almost all member countries through a three-pronged strategy of promotion missions, demonstration projects, and information dissemination. To operationalize GP, the APO has developed a six-step, 13-task methodology following Deming's plan-do-check-act cycle. This has been successfully applied in various demonstration projects and proven to be very effective and productive. The APO has recently published this methodology under the title *Green Productivity Training Manual*. It comprises five modules: Sustainable Development and Green Productivity; Concept of Green Productivity; Green Productivity Methodology; Tools for Green Productivity; and Techniques for Green Productivity. The appendix provides Green Productivity resources. The training manual is also available in CD format, a copy of which is included as part of the publication, and as an e-book on the GP homepage on the APO Web site at: www.apo-tokyo.org/gp.new/Febooklist.htm.

Writing in the Foreword, APO Secretary-General Takashi Tajima expressed the hope that by publishing this manual, "NPOs in member countries as well as other national and international agencies can learn more about GP and possibly adopt GP principles and methodology in their training and capacity-building activities."

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



"People want economy and they will pay any price to get it."

Lee Iacocca

"The absence of alternatives clears the mind marvelously."

Henry Kissinger

"No institution which does not continually test its ideals, techniques, and measure of accomplishment can claim real vitality."

John Milton

"The world hates changes, yet it is the only thing that has brought progress."

Charles F. Kettering

"Cost, cost, cost. Service, service, service. People, people, people. The business model is understandable by any three-year-old."

Tom Peters

"Strength does not come from physical capacity. It comes from an indomitable will."

Mahatma Gandhi

"Beware of little expenses. A small leak will sink a big ship."

Benjamin Franklin

"If someone thinks they are being mistreated by us, they won't tell five people—they'll tell five thousand."

Jeffrey Bezos

APO-JICA collaboration on rural life improvement program

On 2–16 February 2004, the APO and Japan International Cooperation Agency (JICA) jointly conducted a participatory training course on “Community Development with the Rural Life Improvement Strategy” held at the JICA Tsukuba International Center, Japan. This was the first collaborative program between the two organizations. The objective of the course was to introduce Japan’s Rural Life Improvement Program (RLIP) to APO member countries as a proven means of improving the quality of rural life and the factors that account for its success. Other similar programs are the Saemaul Undong in the Republic of Korea and 4H Clubs in the Republic of China. Fifteen participants from 12 APO member countries took part in the training course.

In the first part of the program, participants were introduced to the history, philosophy, and principles of the RLIP in Japan, how the concept has evolved over the years, and techniques to improve rural life. Participants were able to interact closely with RLIP extension workers, young women who are sent to villages to implement various rural life improvement activities. They work with village women to solve daily problems by using indigenous wisdom and mobilizing local resources. The approach is similar to the practice of *kaizen* or continuous improvement that has contributed greatly to productivity improvement in Japanese industries.

The participants were taken on a site visit to Daigo, a mountain town situated about 150 km north of Tokyo in Ibaraki Prefecture, to study: The structure



Participants in Daigo

of the agriculture extension system at field level; Coordination between local and prefectural governments in implementing the RLIP; Socio-economic results achieved after the RLIP was introduced; Activities of women’s groups working to improve rural life: their challenges and achievements; Role of political leadership in the RLIP; and Application of new technology.

Participants were impressed with the high morale and devotion of the RLIP extension workers; the strong trust and cooperation between them and the village women; and the application of RLIP techniques, including fostering “thinking farmers” who can analyze a situation scientifically and take suitable follow-up/remedial actions regardless of conventions. ☺

“Tough words” Karatsu at the APO Secretariat

The APO was fortunate to have Dr. Hajime Karatsu, one of Japan’s most respected and outspoken economists, speak to participants of the APO multi-country study mission on “Productivity and Quality Enhancement for Senior Executives” held in the APO Secretariat on 24 February. A 1981 Deming Prize winner, he is the author of the hard-hitting book *Tough Words for American Industry*, published in 1988. In the book he tells American corporations to get their act together by abandoning short-term profit motives and improving quality and productivity instead of blaming Japan for the then faltering American economy and trade deficit. Dr. Karatsu is currently Professor Emeritus, Tokai University, Japan.

Dr. Karatsu said that the development of the Japanese economy was the result of the making of things, especially with high value added. As an example, he said that raw iron ore costs about ¥2000 per ton. When this is processed into steel, the value goes up to ¥50,000 per ton. When steel is used to manufacture automobiles, the fetching price goes up to ¥1 million per ton. Value is added by skills and technology. For this reason, a country’s initial economic growth is usually associated with developing the industrial sector. In a mature economy, the service sector will become more important, at least in job creation. Employment in the industrial sector will decline as more automated technology is employed. Dr. Karatsu said that 90% of robots in the world are located in Japan. New technological developments will be centered on six areas: IT, new materials, life sciences, new energy, environment, and space development. These will fuel Japan’s future economic growth.



Dr. Karatsu (standing) making his presentation

According to Dr. Karatsu, in 2000, 25% of Japanese manufacturing capacity was located overseas, contributing about three million jobs worldwide. Each year, about 300,000 of these job holders are sent to Japan for training, usually for one year. However, in recent years there has been a reversal of this hollowing effect as overseas branches are returning to Japan to cope better with the rapid speed of technological change. He emphasized the importance of adaptability to change in the new world environment and the vital leadership role of top management in this matter. When asked about the future of the Japanese economy, Dr. Karatsu responded that he was not worried about the next 10 years as the current economic and business leaders would still be around to take care of things. Beyond that he could not tell. He added that current leaders must develop the next generation of leaders to ensure Japan’s continued growth and prosperity. ☺

and compensating workers according to contributions made rather than based on seniority and loyalty. He noted that to avoid the negative effects of subjective and biased assessments by supervisors, companies are resorting increasingly to using profit-sharing incentive schemes. The training and reward systems are usually applied at three levels: individual performance; business unit performance; and companywide performance.

Productivity is also about efficiency, Mr. Ratwatte added. He cited Frederick Taylor's scientific management method under which even the simplest tasks are observed, measured, and recorded. These three elements are captured in the word "reflect." Quoting the Gautama Buddha, Mr. Ratwatte said that we should reflect on the consequence of our actions—to ensure that they are not harmful to others or ourselves but beneficial and they are the best ways to get the job done—before actually performing them.

Mr. Ratwatte also mentioned various other means for increasing productivity, including: making the right things; adding value; measuring and analyzing total factor productivity; undertaking economic value-added analysis; implementing benchmarking; and translating mission statements into specific objectives.

Minister John Amararatunge, in inaugurating the meeting, spoke on recent efforts made by Sri Lanka to move into new realms of productivity growth. "We envision a future of peace and prosperity in which every Sri Lankan will be able to enjoy a higher standard of living and better quality of life achieved through steady improvements in productivity at the individual, organizational, and national levels with gains equitably distributed across all occupations and walks of life."

A structured and methodical approach was adopted with the formulation of a

APO Secretariat has new officer

The Industry Department in the APO Secretariat has a new program officer, Mr. Shawkat Ali Ferdousi from Bangladesh, who came on board on 3 March 2004. Prior to joining the APO, Mr. Ferdousi was an associate professor at the Institute of Business Administration, University of Dhaka, and concurrently Project Director, Centre for Development Research, and Executive Director, Institute for Economic and Private Sector Development, both in Dhaka. He has also served as Assistant Secretary, Ministry of Finance, and Senior Assistant Secretary, Ministry of Commerce. In addition, Mr. Ferdousi has held senior executive positions as Executive Director, Rafiqul Karim & Associates, and Deputy Managing Director, ARKAY Group.



After graduating with a Bachelor of Law from the University of Dhaka, Mr. Ferdousi went on to obtain an MBA from the same university and a Master of Science in Financial Economics from the University of London, UK. He is married with two daughters.



Minister Amararatunge inaugurating the meeting

National Policy on Productivity covering both the private and public sectors to achieve an average of 5% annual productivity growth for the nation as a whole over a period of five years. The Minister commented that this would enable the government to attain an overall growth of about 10% in the years to come. He also said that productivity improvements need to be a national task shared by all stakeholders in the society. This would also ensure that the gains are shared with such vulnerable social segments as the poor, unemployed, women, rural and small farmers, and small businesspersons, the Minister added.

The three-day workshop meeting had a four-part structure. The first was a special presentation on "Opportunities and Threats of a Globalized Economy for Developing Countries: A Business Perspective" by Commercial Bank of Ceylon Chairman M.J.C. Amarasuriya. The second part featured presentations by the Heads of NPOs who spoke on their current concerns and challenges and their organizations' role in improving productivity in the agriculture sector. In part three, the delegates were taken on a study tour of a garment-making facility and a horticultural estate. The fourth part, which comprised six concurrent strategic planning sessions, formed the core of the meeting. The concurrent sessions were broadly categorized into two groups: four under the industry and service sectors and two under agriculture. They reviewed the five APO thrust areas, considered new subject areas for the classification of projects, and proposed specific projects for the APO two-year plan (2005–2006).

The delegates were unanimous in their agreement that the current APO thrust areas are still valid and that they are as relevant to the agriculture sector as they are to industry and service. As for the subject areas, a number of new areas were suggested for inclusion. Among them were: Social fairness/poverty alleviation; Good governance; Productivity measurement and analysis; Building NPOs' research and planning capability; and Entrepreneurship development.

The meeting ended with the adoption of a report of the meeting for submission to the 46th Session of the APO Governing Body scheduled for 8–10 June this year in Jogjakarta, Indonesia. 🌀



p-Experts deputed by the APO

BANGLADESH

Dr. Nilotpal Bhattacharyya, Consultant, India, was deputed to provide training and consultancy services on Improvement of Quality by Reducing Cost, 8–19 February 2004.

FIJI

Dr. Joy Jau Woie Chang, Manager, R&D Center for SCM, Republic of China, and **Dr. James Chen**, Associate Professor, Department of Industrial Engineering, Chung Yuan University, Republic of China, were deputed to design and conduct Industrial Engineer Training, 23–28 February 2004.

Mrs. Julia Smith, Senior Consultant, National Safety Council of Australia, Australia, was deputed to conduct training on Transportation of Dangerous Goods/Material Handling, 16–20 February 2004.

LAOS

Mr. Yasuhiko Tsutsumi, Representative, Pete Consulting Engineering Associates, Japan, was deputed

to provide technical expert services in the seminar on Model Company Building, 23 February–4 March 2004.

MALAYSIA

The following were deputed to serve as resource persons in the training workshop on Energy Efficiency and Clean Development Mechanism, 16–20 February 2004: **Mr. A.K. Asthana**, Director, Energy Management Division, National Productivity Council, India; **Mr. D. Pawan Kumar**, Regional Director, National Productivity Council, India; **Ms. Liana Bratasida**, Expert Adviser for Global Environmental Affairs to the Minister of Environment, Indonesia; and **Mr. Rodney M. May**, Consultant, Australia.

The following were deputed to serve as resource persons in the International Forum on Green Productivity to Enhance Competitiveness and Sustainability, 1–2 March 2004: **Dr. William K. Shireman**, President, CEO, Global Futures/Future 500, USA; **Mr. Kiyoto Furuta**, General Manager, Environment Planning Department, Canon Inc., Japan; **Mr. Takashi Kiuchi**, Chairman, E-Square, Japan; and **Mrs. Nancy Yu Young**, Jo-na's International Philippines, Inc., Philippines.

Prof. Noriyoshi Oguchi, Faculty of Commerce, Senshu University, Japan, was deputed to provide technical expert services in the seminar on Industry-based TFP Measurement & Analysis for the Manufacturing Sector, 8–12 March 2004.

SINGAPORE

The following were deputed to serve as resource persons in the study meeting on Business Continuity Management, 23–25 March 2004 and in the seminar on Business Continuity Management, 26 March 2004: **Ms. Irene More**, Consultant, Continuity Link, Canada; **Dr. David Smith**, Principal Consultant, Electronic Data Systems, IMEA Business Continuity Practice, UK; and **Ms. Kelley Goggins**, Fidelity Investments, USA.

THAILAND

Mr. Bernard Marr, Centre for Business Performance, Cranfield School of Management, UK, was deputed to serve as resource person in the training course on the Balanced Scorecard, 10–12 March 2004.

Mr. Robert Osterhoff, Vice President & Director, Corporate Quality and Knowledge Sharing, USA, was deputed to provide technical expert services to FTPI Capacity Building on Knowledge Management, 10–17 March 2004.

Mrs. Kim Victoria Sbarcea, Director, Knowledge Networks, Australian Securities & Investments Commission, Australia, was deputed to conduct a workshop and a seminar on Knowledge Management: Community of Practice, 22–25 March 2004.

Program calendar

Republic of China

Study Meeting on Creative Entrepreneurship, 18–21 May 2004.

Study Meeting on the Internet and New Business Frontiers, 20–23 July 2004.

Seminar on Outsourcing Strategies for Small and Medium Enterprises, 23–27 August 2004.

India

Study Meeting on Change Management in an Economy of Speed, 22–25 June 2004.

Republic of Korea

Symposium on Impact of Corporate Governance on Productivity, 6–9 July 2004.

Malaysia

Seminar on Total Factor Productivity Measurement and Analysis, 16–20 August 2004.

Singapore

Symposium on Industry Cost Structure: Competitiveness of the Retail Sector, 29 June–1 July 2004.

Thailand

Seminar on Best Practices for a Sufficiency Economy, 21–25 June 2004.

Workshop on Green Productivity for Medical Waste Management, 12–16 July 2004.

Philippines

Workshop on Green Productivity and Industrial Ecology, 21–25 June 2004.

Vietnam

Workshop on Strengthening IT Capabilities of NPOs, 12–16 July 2004.

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.

VIETNAM

Dr. John Man, Managing Director, Smart Process International, Singapore, was deputed to serve as resource person in the VPC's Program on Promoting Service Quality—Strategy and Action Plan, 23–28 February 2004.

APO/NPO update

New APO Alternate Director for Republic of China

Mr. Jung-Chiou Hwang, Director-General, Department of Industrial Technology, Ministry of Economic Affairs, was designated as the new APO Alternate Director for the Republic of China w.e.f. 1 January 2004, in place of **Mr. Yung-Hsiang Chen**.

New APO Liaison Officer for Thailand

Mrs. Pomchan Shantavasinkul, Chief, International Cooperation Section, FTPI, was designated as the new APO Liaison Officer for Thailand w.e.f. 1 March 2004, in place of **Dr. Boondee Bunyagidj**.

New APO Director/NPO Head for Vietnam

Dr. Ngo Quy Viet, Director-General, Directorate for Standards and Quality, was designated as the new NPO Head and APO Director for Vietnam w.e.f. 1 January 2004, in place of **Dr. Nguyen Huu Thien**.

New Program Officer for APO

Mr. Shawkat Ali Ferdousi joined the APO Secretariat as Industry Program Officer, 3 March 2004.

Productivity strategy for public-sector enterprises

Public-sector enterprises (PSEs) have an important role in most economies as they enable the controlling of specific economic activities and provide infrastructure and facilities for enhancing the quality of life of the people. However, they are often criticized for lack of productivity, poor quality performance, and low returns on investment, thus incurring huge deficits. The reasons for this sad state of affairs are many, including their protected status that results in a lack of concern for customer satisfaction; sluggish response to the changing business environment; relatively safe and stable employment; bureaucratic management style; and unclear vision and mission. One solution was to privatize the PSEs, although this was not always the right panacea. Another is to increase their performance through changing the employees' mindset and the effective application of productivity tools and techniques. It was in this context that the APO organized a workshop on "Productivity Strategy for Public-sector Enterprises." It was hosted by Bangladesh and implemented by its National Productivity Organisation (NPO). Fourteen participants from the following APO member countries attended: Bangladesh, India, Indonesia, Iran, Nepal, the Philippines, and Sri Lanka.

The meeting was inaugurated by the Minister for Industries Mr. Motiur Rahman Nizami. Other dignitaries present at the opening session were Dr. Shoaib Ahmed, Secretary, Ministry of Industries, and APO Chairman; Minister of State for Industries Md. Abdus Salam Pinto; Mr. Md. Nurul Amin, Additional Secretary, Ministry of Industries, and APO Alternate Director for Bangladesh, and NPO Head Dr. Md. Nazrul Islam. The APO Secretariat was represented by Senior Officer S.H. Choi.

Minister Nizami, in his inaugural speech, spoke of the importance of the workshop as it dealt with strategies to enhance PSEs. In the face of challenges posed by globalization, the Minister said that PSEs have no option but to enhance efficiency, improve quality, and reduce operating costs. He commented that the workshop had the difficult task of finding ways to increase the productivity of PSEs. He informed the meeting that the Bangladesh government would be declaring a new industrial policy in which raising industrial productivity and establishing small and medium-scale industries throughout the country are among the major aims. He expressed the hope that the workshop would be able to help Bangladesh adopt appropriate strategies for increasing PSEs' productivity and for privatizing them.

The Minister posed a number of issues for deliberation by the workshop. Among them were: appropriate role of PSEs in the national economy; the tools and techniques to help PSEs improve productivity; different dimensions of and approaches to productivity; results of PSE privatization; factors that hamper productivity in PSEs; developing a skilled and quality-oriented workforce; and developing a productivity work culture.

The workshop's proceedings were facilitated by two external experts deputed by the APO—Dr. G.K. Suri, International Management Institute, India, and Dr. Yue-Shan Chang, National Sun Yat-sen University, Republic of China—and two local resource persons: Professor Momtaz Uddin Ahmed, State University of Bangladesh, and Dr. Muhammad Rowshan Kamal, Independent University of Bangladesh. Their presentations dealt with a wide



Minister Motiur Rahman Nizami giving his inaugural address. Seated (L-R) Mr. Md. Nurul Amin, Dr. Shoaib Ahmed, Mr. Md. Abdus Salam Pinto, Mr. S.H. Choi, and Dr. Md. Nazrul Islam

range of topics: PSEs and globalization: issues and challenges; Corporate strategy for productivity improvement in public- and private-sector enterprises in the context of competitiveness and sustainable development; Tools and techniques for productivity improvement, with special reference to formulating strategies for PSEs; Challenges for productivity improvement in the public sector under a free market economic system and implications for public- and private-sector partnership; Emerging new work systems, worker attitude and motivation, and creation of a work culture for higher productivity; Developing performance-centered organizational culture; Cooperation, networking, and partnership for improved enterprise productivity and competitiveness; and Knowledge and information management for productivity promotion and improvement.

Dr. Md. Nazrul Islam, Bangladesh NPO Head, said that his country has benefited from hosting the workshop as PSEs have a long history of contributing to the socio-economic well-being of the people and the ideas and suggestions presented in the meeting would enable them to develop a productive strategy to survive in the era of globalization. 🌀