



APO NEWS

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p. 6, Symposium, Thailand



p. 7, Productivity Festival, Mongolia

Creating productivity showcases

APO member countries have different needs due to varying levels of development, productivity movement maturity, and economic profiles. The APO therefore conducts individual-country projects such as the Development of Demonstration Companies/Organizations (DMP). Eleven demonstration projects have been organized in enterprises since 2003 to support model companies in selected member countries, in addition to 39 demonstration projects organized under Green Productivity.

“Demonstration projects aim to assist less developed member countries in establishing model projects to improve productivity in factories, companies, or organizations and disseminate benefits to the productivity movement in those countries,” explained Director Takuki Murayama of the Industry Department, APO Secretariat, which is in charge of DMP. During the project, participating countries work with technical experts deputed to improve productivity, quality, energy efficiency, and environmental management at demonstration companies. Tools employed include 5S, kaizen, total quality management, ISO9000, knowledge management, and productivity measurement.



PT. SKN President Director Gozali applauded for his TPM implementation plan

“The experts dispatched depend on project type, availability, and commitment exhibited by the demonstration company,” said Murayama. During some projects, the expert(s) visits the selected country several times. During others, the APO deputs an individual(s) through the United Nations Volunteer (UNV) Program who stays for six to nine months.

The Sri Lanka demonstration project was undertaken by the APO/UNV expert Toshiyuki Yamana, who remained for a total of nine months spanning a two-year period. Eight model companies received intensive consultancy services from the National Productivity Secretariat (NPS) and Yamana. Improvements were undertaken in stages with Yamana’s diagnosis, observation, and corrective instructions. The success stories were chronicled in an NPS-produced DVD and booklet.

However, a Mongolian DMP on service excellence for a local mobile telecom company, Newtel Company (NTC), followed a different format. First the NTC dispatched an observational study mission to study the Service Scorecard for Business Excellence from SPRING Singapore. “The project was a journey toward service excellence, which requires consistent communication, commitment, implementation, review and reassessment, and continuous improvement,” explained NTC Customer Service Division Director Nemekhbayar Enkhbayar. Designated expert Eddy Edwards from Singapore, assisted by the National Productivity and Development Center (NPDC), visited Mongolia during each phase to train NTC staff, review the process, and provide guidelines. “NPDC staff were learning with us and assisting with communications with the expert and the APO,” commented Enkhbayar, thanking both the NPDC and APO.

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Improving profitability through people and organizational excellence

Recently, two definitions of productivity have been brought to my attention: that of Dr. Ram Ramsey (Senior Fellow of the World Confederation of Productivity Sciences); and that contained in the 2007 Malcolm Baldrige National Quality Criteria for Business Excellence. Dr. Ramsey's reads:

"Productivity is the optimized utilization and management of all available resources, investigation into the best known resources, the generation of new resources, through creative thinking, innovation technology, and research and development. It combines the best use of all areas of knowledge, improvement techniques, methods, and approaches for the production and distribution of quality goods and services at minimum unit cost in an ethical and legal manner with due regard for the total environment."

The second definition, contained in the 2007 Malcolm Baldrige National Quality Criteria for Business Excellence, is:

"The term productivity refers to measures of the efficiency of resource use. Although the term is often applied to single factors such as workforce (labor productivity), machines, materials, energy, and capital, the productivity concept applies as well to the total resources used in producing outputs. The use of an aggregate measure of overall productivity allows a determination of whether the net effect of overall changes in a process—possibly involving resources tradeoffs—is beneficial."

It has been said that productivity and quality are opposite sides of the same coin. Management understands the term productivity, but quality is more easily understood by the workforce and customers. It is not possible to achieve one without the other. Most of the business excellence frameworks have their roots in productivity, but the output is quality. Quality needs to be more strictly defined because it can be an emotional word like "love," "hate," or "fear." But we recognize quality when we see it and we recognize poor quality when it is absent. In



the customer-driven excellence model, "Performance and quality are judged by an organization's customers."

On reviewing the various business excellence frameworks from a people perspective, the drive to achieve profitability cannot have the expected results without the constant engagement of the workforce and stakeholders in the enterprise. The two key drivers in successful organizations, according to the business excellence frameworks and most leading top management educators, are leadership and customer focus. These are the "push" and "pull," respectively, of productivity. High-performing organizations exhibit certain characteristics, which are all delivered through or by the people in them. Fundamental to those characteristics is outstanding leadership, resulting in:

- A powerful sense of shared vision throughout the organization, made manifest daily particularly by management at all levels;
- A strong, unwavering focus on strategy that turns the vision into reality when the vision connects with the workforce;
- Clear, challenging goals for all of the types that stretch people or even "freak them out," since the gap between goals and current performance offers a powerful learning opportunity;
- Team-based work to develop trust through participation;
- Meaningful measurement of performance, emphasizing the work valued most;
- A culture of commitment and performance among everyone from senior managers to the workers who deal with customers; and
- Good communication, involving straight talk throughout the organization and with stakeholders.

The other common key business excellence criteria reflect that people in high-performing enterprises all seek to deliver results by doing their best for the organization and/or the work teams in which they operate every step of the way. Strategic planning for business excellence can only be effective and relevant if it embraces all the main stakeholders. Vital participants who are not included or are overlooked can quickly become disengaged and unmotivated when they realize that top management has failed to take into account the thinking of front-line employees in forward planning. Beyond the planning stage, strategic deployment should involve a variety of teams. Therefore, considering all aspects of strength, weakness, opportunity, and threat (SWOT) analysis before deployment will minimize oversights, mistakes, and the need for redoing work.

All organizations exist to serve a customer. Customers are real people, not account numbers or enterprise names. Because of this, customer buying decisions are very often made for emotional reasons. It is therefore most important to understand customers, their level of satisfaction, and their opinions of an enterprise, as well as their opinions of its competitors, if the enterprise is to grow and improve its market share. SWOT analysis can also play a role in understanding customers.

It would be easy to think that the measurement and analysis of productivity and quality data simply depend on a series of numbers, as in accounting. However, data collection and analysis are performed by people, not simply by IT or finance departments. Interpretations of information and making of decisions based on those interpretations are done by individuals. Thus, data collection and analysis are important tools to inform managers involved in the strategic planning process of what occurs at the customer interface. Many organizations are automating their data collection. If done correctly, this results in more people being able to access data more quickly for faster, better-informed decision making and customer responsiveness. Data must be relevant and deployed to the end users to enable such responsiveness.

It is interesting to note that 2007 Malcolm Baldrige National Quality Criteria for Business Excel-

lence mentioned the “workforce” as the first factor. Excellent organizations seek to engage, manage, and develop their most important resource. They should also be seeking to align their people with the mission, strategy, and action plans. Sometimes I am astounded to learn that an organization has a high labor turnover rate. In high-performing organizations, preventing employee turnover is a focus of top management. Opinion surveys or climate surveys can be a way to uncover pockets of low morale, seek out the root causes, and devise improvement plans. Many high-performing organizations are moving to automate the administrative part of workforce management, thus freeing up managers. Why? So that managers can spend more time with their people.

All key criteria for business excellence have a common thread: a focus on process management. Focusing attention on process management goes a long way toward eliminating the people “blame game.” Finger pointing or blaming others inevitably occurs when management does not see itself as part of the problem. Former US President Bill Clinton said in an interview: “I did not appreciate the power of process until after I left office.” In high-performing organizations,

process outputs should: at least meet, if not exceed customer requirements (quality); be produced efficiently (profitability); be competitively superior (competitiveness); and the process cycle time be reduced (productivity).

People work in the system, while managers work on the system to improve it. There is an undisputable interdependency at work: people need people in all organizations. The better they work together (alignment) for the customer, the more successful (profitable) the organization will become. ☺

Richard Barton is the Managing Director of Business Improvement Advisory Services. Previously he was the Business Process & Quality Management Executive for IBM in Australia and New Zealand. Prior to that he was General Manager of the Australian Quality Council. He is a Senior Member of the American Society for Quality, and a Fellow of World Confederation of Productivity Science. He has had a long and close association with the APO since 1992.



Comment board



President **Teruo Mori**, Mori Consulting Office, Japan.

Resource Speaker, workshop on Quality Engineering: the Taguchi Methods, 5–9 May 2008, ROC.

“To enable participants to grasp the principles behind the Taguchi methods within the five-day duration, I adopted new training methods that focused on practice and experiments. Participants

conducted experiments on how to optimize usage of double-sided adhesive tape for gluing aluminum sheets together using Taguchi principles and tools, one of the most effective quality engineering methods. Participants also utilized Excel Procedure and Calculations Sheet software, the main methodological tools in the quality improvement process. One difficulty, apart from the limited course duration, was the widely differing background of the participants. Some participants were very new to the subject. However, their boundless enthusiasm made each session interesting and exciting so that the daily program always ended later than scheduled. Some participants expressed their interest in inviting experts to their countries for more direct consulting and training. Following discussions with participants, I realized the necessity for developing more case studies on this method, especially in the service and agriculture sectors.”

Director **Khairuddin Tahir**, Edisi Flora Sdn. Bhd., Malaysia.

Project coordinator, e-Learning course on Exporting Processed Agri-food Products, Phase I, 12–14 May 2008.

“Participants benefited from knowledge gained on selected export markets, their consumer preferences, and tips from experts. Improving market access

for agri-food products and understanding compliance with the regulations of important markets will continue to be a priority for countries in this region. The e-learning format made it suitable for busy executives. The duration was also suitable, since most cannot afford to be away from their important tasks for long. However, future courses could be more useful if they focused on specific commodities or product types, such as fruit and vegetables, marine fish and aquaculture, or livestock. A case study approach seems useful for seeing how it works in practice.”

Deputy Director of Industries Engineering **Eng. Martin M. Nzomo**, Productivity Centre of Kenya.

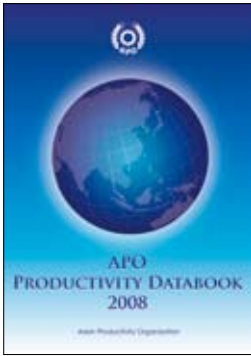
Participant, Advanced Training Course for Productivity Practitioners (ACPP), South Africa, 28 April–16 May 2008.

“This was the advanced program, the follow-up to the Basic Training Course for Productivity Practitioners (BCPP) held in 2007. Most of my old productivity comrades from the BCPP took part in the course which made the program more pleasant and interesting. The first two weeks were devoted to acquainting participants with advanced knowledge relating to the concepts, tools, and methodologies of productivity and quality, while the last week focused on an in-plant training session. Through this session we were able to acquire all the necessary skills, from plant diagnosis and productivity report preparation to the presentation to the client. All participants, including myself, really appreciate the APO’s support of Africa’s human resources capacity building in the productivity movement. I am now more confident in the techniques of managing the strategic planning process, business excellence concept, and the use of the relevant tools for productivity measurement.”



Reading productivity and economic trends

Part 1. International comparisons of productivity: a panoramic view for decision making




We are faced with economic decisions every day, whether as consumers, workers, entrepreneurs, or government policymakers. Generally, the better the information we have, the better are our decisions and in turn their outcomes. We may be well aware of our immediate surroundings but a panoramic view often requires some research effort. When we broaden our view, we may discover options and possibilities that we did not even know existed, relevant lessons to be learned from others' experience of our actions or inaction, and benchmark performances to aspire to.

As a key indicator of economic performance, productivity analysis is useful in focusing on issues at hand. In particular, when a country is catching up with the world leaders in GDP per capita, significant productivity growth is an essential element in the process. A good understanding of the key drivers and dynamics of productivity growth is therefore beneficial to a country's development efforts.

Some APO member countries may already have their own programs of productivity analysis, but such programs may not sufficiently take into account the regional and global contexts. This is a gap that the *APO Productivity Databook* seeks to fill to complement national programs. Through international comparisons, widespread global or regional economic trends can be distinguished from factors unique to individual economies, and benchmark performances can be identified and analyzed to focus on potential adaptations. In this manner, international comparisons highlight the ways countries are able to learn from and cooperate with each other.

In the *APO Productivity Databook 2008*, a new analytical framework was developed to enable cross-country comparisons for the first time in this series. Furthermore, to provide a more complete regional and global perspective, the economic performances of APO member countries were compared with those of the People's Republic of China, USA, and EU15 for reference. Countries

are ranked according to their GDP and per capita GDP. To reflect their diversity, countries covered in the publication were divided into groups based on relative per capita GDP and how fast they were catching up with the USA, the world leader. Regional economic growth was dissected into country origins. Changes in per capita GDP were traced back to the causal components, i.e., labor productivity and the labor utilization rate. To understand further the dynamics of an economy, we analyzed the industry origins of each country's economic growth and labor productivity.

This monthly column in the *APO News* will present the findings from the analyses contained in the *APO Productivity Databook 2008* in bite-sized form, focusing on one specific topic each month and expanding on its implications where possible. International comparisons of productivity, however, are not a precise science but fraught with measurement difficulties and issues. Although the *APO Productivity Databook 2008* represents an important milestone in APO productivity research efforts, there is still room for improvement. More specifically, the work of the *APO Productivity Databook* project team continues in two broad directions: 1) more thorough data investigation and harmonization to improve cross-country data comparability and in turn the quality of the results; and 2) an expanded scope of the analytical framework for completeness. Admittedly, a "perfect" data set is an unattainable dream. Nevertheless, improved knowledge of the underlying statistics should enable us to judge data limitations better and in turn to interpret the results with greater confidence. The medium-term goal is to build up an APO productivity database comparable with other international databases in terms of quality, opening up the possibility for the majority of countries in the Asia-Pacific to be included in future international studies of productivity performance. 



Contributed by Dr. Koji Nomura, Associate Professor, Keio Economic Observatory, Keio University, Tokyo, Japan, coauthor of *APO Productivity Databook 2008* with Ms. Eunice Y.M. Lau and Mr. Hideyuki Mizobuchi.

Common sense talk

"The best job goes to the person who can get it done without passing the buck or coming back with excuses."

Napoleon Hill

"Our character is basically a composite of our habits. Because they are consistent, often unconscious patterns, they constantly, daily express our character."

Stephen Covey

"About the only thing that comes to us without effort is old age."

Gloria Pitzer

"One of the tests of leadership is the ability to recognize a problem before it becomes an emergency."

Arnold Glasgow

"Quality is never an accident. It is always the result of high intention, sincere effort, intelligent direction, and skillful execution. It represents the wise choice of many alternatives."

William A. Foster

"If you tell the truth, you don't have to remember anything."

Mark Twain

Training the trainers in TPM

A competitive advantage in manufacturing increasingly demands high quality, low cost, and precise delivery schedules. Machinery breakdowns, material shortages, defective products, unsafe conditions, and labor shortages remain obstacles to achieving these three goals. Overcoming these obstacles without adversely affecting other factors determines the fate of an enterprise. Total productive maintenance (TPM) is an approach that has been successful in reducing costs while improving quality and delivery reliability. TPM, originally developed by Toyota's supplier base, has become an essential prerequisite for world-class manufacturing. It focuses on improvement activities, production equipment, and the integration of maintenance with production.

The training course on TPM, held in Lahore, Pakistan, 14–18 April, was a collaboration between the APO and the National Productivity Organization, Pakistan. It was tailored to permit developing member countries to train managers, engineers, and NPO technical consultants; promote the TPM concept; and train others in its application. The three resource speakers deputed by the APO provided participants with both a theoretical and practical understanding of the tools and strategies to implement TPM, while a local speaker shared experiences of implementing TPM in companies in Pakistan with the 22 participants from 12 member countries.

Senior Management Consultant Masahisa Mizumoto, Central Japan Industries Association, introduced the background and overview of TPM, including linkages between TPM and lean production systems. He also explained TPM implementation strategies composed of eight pillars and 12 steps.

Technical issues in TPM implementation were covered by Director and Head T. Rajachidambaram, Dr. Ambedkar Institute of Productivity, NPC, India. He described six strategies in the preventive maintenance and monitoring process. A sample case study on overall equipment effectiveness was also given to participants to test their understanding.



Participants discussing how to apply TPM

A discussion on TPM implementation procedures was initiated by Senior Manager Kabir Ahmad Mohd. Jamil, Malaysia Productivity Corporation. He argued that the success of TPM implementation relies not on machine operators alone but depends upon the involvement of everyone in the organization. All must understand the objectives, operational details, and requirements of TPM.

A site visit to Honda Altas Pakistan, an automotive assembly factory, provided an opportunity to observe 6S, quality control, and visual management practices. Since the company was in the process of implementing TPM, a tour of the production line provided insight into the initial stage of TPM practice. The training course concluded with participants presenting action plans for applying TPM within their own organizations. As follow-up and monitoring activities, participants were requested to submit individual progress report to the APO within six months. ☺

Creating productivity showcases (Continued from page 1)

Two DMP projects are ongoing in India and Indonesia. A press conference officially launched the Bhopal, India, DMP project in October 2007. Two APO experts from Singapore arrived in Bhopal one week prior to the launch to conduct a diagnostic study of Adarsh Printers & Publishers (APP), a printer of books, calendars, and diaries which wanted productivity to improve by 10–25% through quality improvement and waste reduction. The experts outlined quick-fix measures to senior managers and the APP project team on their first visit. During a second visit in April 2008, Japanese expert Yasuhiko Iwaoka reviewed the progress of the quick fixes and formed two kaizen teams for management and production. His next visit in June will review each team's progress and determine the next steps.

The Indonesian project is also being conducted by APO/UNV expert Yamana and the Directorate of Productivity, Ministry of Manpower and Transmigration of Indonesia. The February 2008 launch was covered by local media, which emphasized the strong commitment of the Indonesian government and the demonstration company, PT. Sarandi Karya Nugraha (SKN), a manufacturer of medical and health equipment. The project aims to establish a pattern of SME development contributing to the Indonesian economy, especially in terms of employment generation. The project actually started in early January when Yamana arrived to perform company analysis and set three objectives for the SKN project team: introduction of 5S; reduction of rework; and improved marketing.

"I learned about 5S and other productivity tools through self-study and an APO project. However, it was very difficult to apply them in practice. I think I learned much more from using these tools during the DMP," noted PT. SKN President Director Isep Gozali. Although tangible progress has been made, Yamana, who has provided guidance to 21 model companies in four member countries, expressed concern about postproject continuation: "Judging from my experience, companies need continuous guidance for a certain period. It is like 'a marathon without a finish line.'"

To inspire other enterprises, both within and beyond the host country, the APO will organize additional DMP projects in 2008. Twelve proposals from five member countries are being examined. DMP projects are being continuously improved thanks to feedback from model company executives and managers at the workshop on DMP held in December 2007 in Cambodia. "The workshop proved the importance of upper-management commitment and the role of NPOs in sustaining and replicating projects," said Murayama. "Future selections should be made based on these key success factors." The APO has extended maximum DMP durations from nine to 18 months and increased the financial support to NPOs for disseminating DMP results based on suggestions at the workshop. Efforts to produce more productivity models will continue. ☺

Innovation and technology: the HOF Symposium

In the globalized economy, enterprises must innovate to create customer value and ensure their continuing viability. This involves enhancing capabilities for technology development and innovation. Managing technology and innovation has been a topic of many APO projects, including the 2007 and 2008 Top Management Forums.

The nonprofit Honda Foundation (HOF) was established in 1977 with a grant from Honda Motor Company founder Soichiro Honda and brother Benjiro. The HOF mission is “Science and technology must serve to ensure people’s happiness,” and the annual Honda Prize is awarded to those with significant achievements in ecotechnology. The HOF and National Science and Technology Development Agency of Thailand coorganized an international symposium on ecotechnology entitled Innovation and Entrepreneurship in Asia in Bangkok, 28–29 March, to identify business challenges in innovation and high-technology utilization, particularly ecotechnology. Based on its long-term activities in Green Productivity (GP), the HOF invited the APO to send representatives to the symposium. Research and Planning Department Director Mukesh Bhattarai and Program Officer Yasuko Asano, along with Executive Director Dr. Phanit Laosirirat, Thailand Productivity Institution (FTPI), attended to share APO and FTPI experience in promoting ecotechnology use in the Asia-Pacific and describe the gap that exists between high-tech innovations and SMEs and entrepreneurs.

Bhattarai reported that despite abundant R&D in ecotechnology innovation, problems persisted in transferring the benefits of technological breakthroughs to economically crucial SMEs. He identified three keys for technology transfer to SMEs: funds, human capital, and incentive systems. Asano also emphasized



APO representatives at the HOF Symposium (L–R) Bhattarai, Asano, Phanit

the importance of SMEs and entrepreneurs in spreading ecotechnology for sustainable growth in the region and pointed out that, “The APO can mobilize the business community, academics, and policymakers from its member countries through the NPO network to serve as catalysts to initiate the ecotechnology movement in Asia in line with GP.” She introduced the *APO Productivity Data-book* as a key tool for identifying socioeconomic needs and measuring levels of development and innovation.

Dr. Phanit presented results from the joint FTPI, National Economics and Social Development, and World Bank Productivity and Investment Climate Study of 1,500 firms in Thailand showing that 70% of SME respondents did not know how to access technology or locate contact persons, a finding that generated lively discussion at the symposium. Both the audience and HOF expressed appreciation for the presentations by the APO Secretariat and Dr. Phanit. 🌀

The quest for organic certification

Organic farming, a form of sustainable agriculture, is experiencing phenomenal growth worldwide because it reduces cultivation costs, its products have access to premium markets, and it contributes to human health and soil productivity, conserves the natural resource base, and reduces environmental pollution. Organic farming can be carried out in many countries regardless of their economic development stage.

Another reason for its explosive growth is expanding global demand for organic products. This is driven by consumer perceptions that organic products are safer, cleaner, and more ethical than conventionally grown products. Despite this, organic agrifood items remain niche products commanding premium prices. At the same time, those niche products rely on consumer confidence in their reliability and integrity. Therefore a credible system of standards, inspection, certification, and traceability should be established for organic farming products.

Given the enormous potential of organic farming to contribute to sustainable agriculture while enhancing small and medium-sized farm incomes in the region, the APO organized a training course on Organic Farming focusing on organic production and inspection in Islamabad, Pakistan, 21–25 April. The training course was jointly implemented by the Pakistan Agriculture Research Council and the National Productivity Organization.

The course improved the understanding of the 25 participants from 11 member countries of the necessary standards for organic certification. Training modules covered standards of inputs for organic farming, production and postharvest handling of organic produce, and the organic inspection and certification process. At each stage, the necessary tools, techniques, and approaches required to receive International Federation of Organic Agriculture Movements certification were introduced. Special presentations were given on the global trends in and drivers of organic farming. Critical success factors in the marketing of organic products were also explained, including winning the core group; product differentiation; value addition; labeling and branding; focus on fast sellers; safe, reliable, transparent supply chains; in-store positioning and orientation of products; effective customer services; and overall business excellence.

The training course combined interactive lectures, group exercises, thought-provoking decision trees derived from successful examples, and site visits. Participants benefited from a visit to Qarshi Research International (Pvt.) Ltd., a facility with many international certifications/accreditations including organic certification, ISO9001, ISO14001, and HACCP. Its herbal garden, plant tissue culture laboratory, farm, and juice product laboratory elicited special interest from participants. Similarly, during a tour of the National Agricultural Research Center, the biofertilizer production research laboratory was the focus of attention. 🌀

Program calendar

September

Fiji

Workshop on Knowledge Management (KM) Implementation, 1–5 September.

► Objectives: To explain the APO KM framework, training materials, and curriculum; train participants in the APO KM methods, tools, and techniques; and identify areas for improvement.

► Participants: Trainers and consultants from NPOs and related organizations specializing in KM training or consultancy.

Japan

Multicountry observational study mission on Waste Management in the Food-marketing and -processing Sectors, 2–9 September.

► Objectives: To review the status of waste management; and learn about the modern technologies and practices in the food-marketing and -processing sectors.

► Participants: Middle- to top-level managers, officials, academics, or consultants in government, the private sector, or NGOs involved in waste management in the food sector.

Thailand

Seminar on Good Hygiene Practices (GHP) for Small-scale Food Processing with Emphasis on Meat Processing, 8–13 September.

► Objectives: To disseminate the concepts and principles of GHP in the small-scale food-processing industry, especially in small-scale meat-processing enterprises.

► Participants: Entrepreneurs, managers, and marketing officers of co-operatives, officers of government, staff of NGOs involved in small-scale meat-processing business, food safety officers, and GHP trainers.

Republic of China

Study meeting on Lean Six Sigma, 23–26 September.

► Objectives: To understand the concepts and approaches behind Lean Six Sigma; examine effective implementation of Lean Six Sigma; and recommend practical ways to assist enterprises to achieve higher productivity and competitiveness through Lean Six Sigma.

► Participants: Senior NPO consultants, senior managers of business corporations, and professionals from research institutes dealing with Six Sigma and/or lean production.

India

Study meeting on Appropriate Mechanization Strategies for Improving Agricultural Productivity, 24–30 September.

► Objectives: To review current and emerging policies on agricultural mechanization in member countries and assess their implications for agricultural productivity; and identify best practices in the development of agricultural mechanization for productivity improvement.

► Participants: Experts and professionals in the public and private sectors involved in farm mechanization.

Kindly contact your NPO for details of the above activities, including eligibility for participation. The project details along with the address of your NPO are available from the APO Web site at www.apo-tokyo.org.

Mongolia's Productivity Festival

To raise the general public's awareness of productivity enhancement, Mongolia's National Productivity and Development Center (NPDC) organized the 2008 Productivity Festival at the Mongolian National Gallery of Art on 21 March with the theme Learn Best Practices from Leading Organizations. The festival, the first of its kind in Mongolia, played host to numerous events including an exhibition featuring eight National Productivity Award (NPA) companies and APO demonstration company projects. In a separate hall of the gallery, 2006 NPA winners gave presentations on how they had improved productivity, quality, and competency while the 2007 NPA winners were receiving their winning trophies from President Mongolia Nambaryn Enkhbayar at the State House. The NPDC also organized a productivity book exhibition that distributed free publications, including volumes donated by the APO, and a lecture session on productivity and quality tools. Additionally, the winners of the NPDC Photo and Lyrics Contest, begun in December 2007 with the theme Productivity in Our Life, were announced. Approximately 1,000 people visited the Productivity Festival. Encouraged by the obvious enthusiasm for the festival, the NPDC is planning to make it an annual event.



Productivity Festival visitors examining displays

DON Committee formed

Since 2007, the APO's DON Program has had two levels: DON Strategy and DON Implementation. DON Strategy, administered by the Secretariat's Research and Planning Department, initiated the NPO Need Assessment Survey to identify areas in which 15 APO member countries required assistance. To translate DON Strategy findings into DON Implementation, the Secretariat formed the DON Committee on 4 April 2008 to analyze the survey results. The DON Committee comprises representatives from each Secretariat department and includes all departmental directors. The committee's second meeting, on 8 May, discussed five items: the scope of the DON Committee; summaries of country survey reports; recommendations on member country needs; a review of the 2009 and 2010 Program vis-à-vis DON Strategy; and setting up centers of excellence as discussed at the GBM in Tehran. The committee will provide overall guidance for the institutional capacity development of NPOs and attempt to determine the needs of advanced NPOs.

APO/NPO update

New APO Director, Alternate Director, and NPO Head for Singapore

Mr. Png Cheong Boon, Acting Chief Executive, SPRING Singapore, was appointed new APO Director and NPO Head for Singapore, and Ms. Leung Wai Ling, Director (Planning), was appointed new APO Alternate Director for Singapore, w.e.f. 1 May 2008.

Improving energy efficiency in Pakistan's textile sector

Pakistan is an energy-deficient country experiencing a severe power shortfall. Consequently, energy conservation is a major national policy objective to minimize the gap between supply and demand. Pakistan has attempted to use several methods to increase energy efficiency, generate success stories demonstrating energy and cost savings, and provide information on best practices. One such attempt was by the National Productivity Organization (NPO) under the Government of Pakistan's Ministry of Industry, Production and Special Initiatives in August 2007 in collaboration with the APO and international expert on energy efficiency Pawan Kumar, India.

Kumar conducted a two-week energy audit in two textile units in Lahore under the APO's Technical Expert Services (TES) Program. He also provided practical training in energy audits to a team of about 20 technical staff from the NPO, stakeholders, local consultants, industry technicians, students, and academics while the team was carrying out the audit. The success of the first energy audit prompted the NPO to approach the APO to repeat the energy audit-cum-training in 2008. Under Kumar's supervision, the NPO conducted energy audits in three textile units, two in processing and one in spinning, in Lahore, 15 March–4 April. The audit team of 20 comprised six NPO staff and their partners, including students.



APO expert Kumar (2nd R) visiting a local sock manufacturer

The second audit-cum-training course proved to be as successful as the first. It demonstrated that energy use could be reduced by 10–15% by adopting energy-saving measures suggested by the audit. The five-unit course also created a pool of energy conservation specialists capable of undertaking energy auditing independently.

The wrap-up session of the project was jointly chaired by Chairman of the All Pakistan Textile Mills Association in the Punjab zone Akber Sheikh and NPO Consultant Ishfaq A. Sheikh. Many entrepreneurs and representatives from the textile industry attended the event to hear the findings and outcome of the project. I.A. Sheikh said that the audit had evaluated measures such as changes of equipment and machinery and upkeep of production facilities and emphasized the necessity for rapid, broad-based energy audits. This would permit an uninterrupted supply of electricity to textile units, which is vital for the export-oriented industry as a whole. The local newspaper, *Business Recorder*, carried a story on the successful completion of the project and the major points in I.A. Sheikh's speech. In his concluding remarks, I.A. Sheikh highlighted the ambitious target set under the dynamic leadership of NPO Chief Tariq Bajwa to attain energy efficiency by reducing energy losses and productivity-energy efficiency deficits in the textile industry. He also conveyed appreciation to the APO and expert Kumar for their support and to the six-member team from the NPO for their hard work and contributions.

The NPO has already organized subsequent awareness sessions in key areas. These sessions raise public consciousness of the need to improve industrial energy efficiency; identify sustainable energy-saving measures; recycle usable waste energy resources; optimize the utilization of energy resources; build capacities and develop human resources in industry; upgrade/deploy the required technology; and initiate industrial training, especially training of trainers courses. ☺

Contributed by Ishfaq A. Sheikh, officer in charge of the energy efficiency project, NPO, Pakistan

APO

Contest

Theme: **Productivity—Tomorrow's Hope**

Sponsor: Asian Productivity Organization
Cosponsor: FUJIFILM Corporation
Supported by: National Productivity Organizations
Entrants: Nationals of APO members
Closing Date for Entries: 15 August 2008

2008

Rules and Entry Form: See the APO Web site (www.apo-tokyo.org)

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