



# APO NEWS

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June 2009



p. 6, Study mission, Germany



p. 7, Workshop, Indonesia



p. 8, APO alumni, Pakistan

## Two-tiered approach for greater multiplier effects

Last year, the APO successfully completed three pilot in-country training programs for productivity and quality practitioners after analyzing the results of the 2008 need assessment survey among 15 NPOs under the Development of NPOs Program. The success of the in-country programs confirmed that a country-by-country approach could cost-effectively generate substantial benefits for numerous local participants.

Encouraged by the positive reception by member countries, the APO is attempting to generate greater multiplier effects by expanding its two-tiered project-based approach consisting of a multicountry project followed by individual-country programs to disseminate the knowledge nationwide. Under this initiative, the APO has conducted category B/C projects as regional projects for countries with common interests or geographic proximity, followed by national dissemination/training courses. In March and April this year, six follow-up national programs to two multicountry programs in 2008 in the B/C category were completed in cooperation with the host countries.

“In my opinion, the benefits of these types of program are far better than multicountry projects which a maximum of two participants from one country can join,” commented Ministry of Industries Secretary and APO Director for Bangladesh Dewan Zakir Hussain in his report to the Governing Body Meeting in Sri Lanka in April. Bangladesh organized a two-day national seminar on Biomass Utilization for Industrial Boilers, 30–31 March this year, as the follow-up to the Regional Workshop on Biomass Utilization for Industrial Boilers, 18–23 August 2008, in Pakistan.



Secretary Hussain (R) delivering the welcoming address at the seminar

It was attended by 48 local participants with 70% from the private sector. Secretary Hussain attended the major sessions of the seminar including the opening, expert presentations, and group discussion and felt that it created a positive impact for stakeholders.

Sri Lanka and Nepal also played host to national dissemination seminars, in Colombo 2–3 March and Kathmandu 5–6



Participants in the Nepal seminar establishing a follow-up demonstration project

March, respectively. APO expert Arvind Kumar Asthana, who conducted all three national seminars as a resource person, commented, “It is heartening to note that nearly 50 attended the workshop in each country, with a high level of participation from the private sector.” Ramesh Kumar, a Nepali participant in the regional workshop, joined Asthana in Nepal and Bangladesh as a resource speaker. He assisted local participants in establishing a plan for a follow-up demonstration project.

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## A modern “whodunit”?

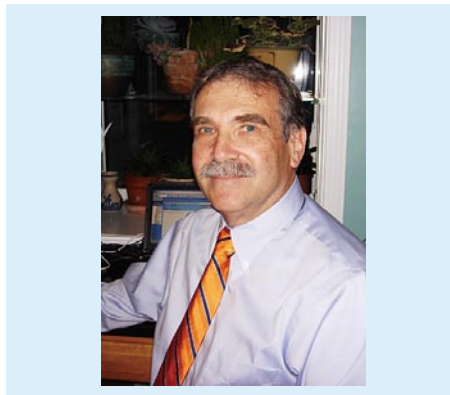
**T**he US economy is in a bad spot with some chance of rescue on the horizon. But for the time being the economic landscape is not a pretty sight. There would be some sense of satisfaction on the part of many if blame for the current mess could be laid at the feet of the guilty parties and we could extract a simple apology: “Sorry, our fault.”

Perhaps then there would not be so much acrimony in my hometown over the proposal to borrow money to build a new elementary school, prevent the firing of teachers, and increase class size. An apology might even reduce the anger over potholes in the streets, fewer police and firemen to protect the public, and the closing of shelters and food pantries for the poor. Someone has to accept responsibility for the angst that has infected the American public.

Could the guilty be those “white-skinned people with blue eyes” whom Brazilian President Luiz Inacio Lula da Silva has accused recently, referring to Anglo-Saxon capitalism? Perhaps, but then why would the US government reward the guilty with one-half percent loans and taxpayer bailouts? Maybe the guilty are the old-boy Wall Street network and the economic elite who have profited handsomely from revolving chairs in corporate America and government. Maybe it is the real estate firms and mortgage bankers who knew people with no jobs and no money might have trouble paying back loans for \$400,000 homes. There are so many likely suspects that Sherlock Holmes would be guaranteed lifetime employment.

If you believe that any of the above is the prime suspect for crimes against the US and global economy, think again. There are those who believe that they have solved the crime and identified “whodunit.” Yes, it was the unions. Their continual struggle to thwart productivity and innovation and selfishly lobby for a minimum wage that brings workers closer to the poverty line have ruined the economy. Say what?

Captain Chesley Sullenberger, the pilot who safely landed his plane on the Hudson River and saved the lives of his passengers, mentioned how difficult it was to make a living under the new salary structures that emerged after pilots’ wages and pensions



were decimated under the bankruptcy reorganizations of the airline industry. The steel industry that so cleverly used bankruptcy and reorganization to eliminate union wages is often cited as a critical step in improving the US economy. And, of course, we have our current culprits: the automobile workers’ unions and teachers’ unions.

**“What is needed is one of the real perpetrators to step forward and take responsibility for tearing communities apart as they share the economic leftovers of greed and malfeasance in the financial sector.”**

Because I belong to a faculty union, let us start with teachers’ unions. I have also briefly headed a school that had no union. Being close to the debate over the evils of teachers’ unions and having reflected on the issue from both the union and antiunion camps, I feel compelled to report that blaming teachers’ unions is a red herring. If you want to make progress in improving American education (i.e., global competitiveness), drop the antiunion rhetoric and focus on the real issues of poverty, broken homes, parent accountability, small class size, hands-on educational opportunities, and enhanced technology in the classroom. If we are serious about quality education, put education at the head of the money

food chain, and do not regard it as the first and most convenient area to cut funding when tax revenues come up short. It is disappointing, therefore, for me to hear the refrain from the US government administration that unions are a major hurdle to improving education.

I am sure that the automotive workers’ unions could have taught Detroit’s management many lessons. Or Detroit could have listened to the consumers to improve its product. Admittedly, the automobile workers’ unions lost touch with mainstream American thinking and padded their benefits a little too thickly for broad public support. But to assign blame to the unions for America’s economic decline, as Jack and Suzy Welch did in a recent *Business Week* essay, is misdirecting the detectives who are seeking those “whodunit.” The Welches wrote, “...three recent events should make you worry. Each suggests a rising tide of union influence and the concomitant lowering of American competitiveness, just when our country can least afford it.” I do not believe that it would be accurate to blame unions for the current 75% drop in the value of GE stock. [Author’s note: I grew up in a GE town, and the unionized workers of the local GE plant were the lifeblood of that city. When union jobs left the city, the city suffered a slow economic death.]

I suggest that history will show that unions were responsible for the growth of the middle class and their habitat, the suburbs. They allowed workers to buy cars, new homes, and boats and to visit Disneyland. They sent their kids to colleges that their own parents could never have afforded themselves and provided the manpower to fill the ranks of the military. Now the middle class is in a pitched battle in my little hometown over how to survive in the current economic downturn and whether it can afford to build a new elementary school. The roadside signs bespeak a highly emotional battle between foes and supporters of the school: “Save our town, vote no” or “It’s no joke, we’re broke, vote no.” What is needed is one of the real perpetrators to step forward and take responsibility for tearing communities apart as they share the economic leftovers of greed and malfeasance in the financial sector.

A good starting point for healing would be an admission by big business and government that his-

torically unions have served Americans well. It would also be useful for unions to admit that their bureaucratic and undemocratic ways have, at times, blocked innovation and productivity. Now that push has come to shove, we have learned that business trumps labor. The business-government nexus must now realize its immense responsibility for providing the American worker with hope for a middle-class existence without union protection or prodding. Once the dust from this economic storm settles, workers will be more vulnerable than ever. What choice will government and business elites make regarding labor's future? Will the mantra of rugged individualism be invoked to rationalize the greatest discrepancy in income levels since the Great Depression?

Under US President Franklin Delano Roosevelt's New Deal of the 1930s and presently under President Barak Obama's stimulus plan, the USA is moderating its stance toward a hands-off economic ideology. (Welcome back, Mr. John Maynard Keynes.) What is needed to move America forward are practical plans with-

out ideology. That unions are to blame for America's economic malaise is not a good place to start as it desecrates the sacrifices and contributions that labor unions have made for America's greatness. A better place to start is to penalize those "whodunit," and Wall Street appears a more likely crime scene than Main Street. ☹

*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.*



## Comment board



*Coordinator Vic Thorpe, Just Solutions Network GmbH, Switzerland.*

Resource person, training course for Lead Auditors on SA8000, Bangladesh, 26 April–1 May, 2009.

"This was my first time to work in an APO project. The course was a truly delightful experience in that I met a group of motivated, intelligent, pleasant professionals. The 20 participants from 13 countries, who came to

Dhaka to discuss corporate social responsibility and the SA8000 social compliance standard, brought with them a wide range of experience that enriched our shared learning. Since they were selected from the previous e-learning course, the participants had a demonstrated personal and professional interest in the topic of 'social quality' in the global supply chain. The National Productivity Organization of Bangladesh arranged the field visit to the premises of the local SA8000-certified Mainetti (Bangladesh) Pvt Ltd. in the Dhaka Free Trade Zone. All the participants found the practical input provided by this visit to be immensely valuable, as it was an actual demonstration of auditing techniques and workplace realities. Given the feedback from participants, the future expansion of this training scheme to include a wider view of corporate social responsibility initiatives would undoubtedly receive warm support from APO members."

*Mr. Ben Wismen, Socio-Economic & Environment Research Institute, Malaysia.* Participant, Training of Trainers in Green Productivity, Malaysia, 30 March–24 April, 2009.

"I participated in this course to broaden my knowledge of various environmental-related issues that will come in handy for my daily work. Over the four weeks of training, I gained a significant amount of knowledge concerning Green Productivity (GP), its concept, and the implementation of its tools and techniques.

The case studies were the best part of the program as they related firsthand experience in implementing GP in industry. The course was an eye-opener for me since it introduced various environmental concepts and issues such as green purchasing, the Clean Development Mechanism, and a better understanding of the Kyoto Protocol. There were some logistical difficulties, especially with the Internet connections when we stayed in a local facility for one of the four weeks of the course. However, the course was managed smoothly. I will use the skills and knowledge I gained from the course to help me give consultancy advice on government policies in Penang, as well as raise awareness of the importance of GP in the manufacturing industry in Penang. I hope to become a full-fledged consultant on GP, and this course was a big step toward achieving that."

*Director/CEO Charmarie Maelge, Responsible Tourism Partnership Sri Lanka.* Participant, international conference on Sustainable Consumption, Sustainable Production, Sustainable Future, the Philippines, March 19–21, 2009.

"The conference was a great opportunity for me to learn about the development of sustainable activities in the Asian region. I am well versed on this subject where it concerns Western and European countries, since my work involves generating markets among European and other Western tourists. I was impressed with the emphasis that countries in the Asian region placed on sustainability issues and opportunities as well as their level of advancement, for example, in CDM and carbon markets. I have been engaged in the Responsible Tourism Partnership Greening of Sri Lanka Hotels, an islandwide initiative for optimizing energy efficiency and natural resource sustainability. The knowledge I gained and the networking connections created at the conference will greatly contribute to our program. This conference was organized in parallel with the Eco-products International Fair. Both of these events were excellently managed. I could see that the APO together with its Philippine counterparts worked extremely hard to put together a panel of very high-profile speakers and ensure the smooth running of both mega events."



# Productivity methodologies, tools, and techniques

## Part I: Understanding Six Sigma and DMAIC methodology—Kabir Ahmad Mohd. Jamil

**P**ioneered by Bill Smith in 1986 while employed by Motorola, Six Sigma was originally defined as a metric for measuring defects and enhancing quality. It was originally developed for production processes, but has subsequently been applied in banks, insurance companies, restaurants, hospitals, schools, and many other types of service organization around the world.

Six Sigma is far more than simply another novel concept and can be regarded as a major innovation in terms of the management of quality throughout an organization. As a comprehensive methodology for process improvement, Six Sigma provides organizations with a roadmap for long-term success through enhancement of the quality of services and customer satisfaction. The International Organization for Standardization defines Six Sigma as “a statistical business-improvement approach that seeks to find and eliminate defects and their causes from an organization’s processes, focusing on outputs of critical importance to customers.”

For a Six Sigma program to produce the expected results, organizational roles and responsibilities must be clearly defined and aligned. If training is limited and focused on only a few people in the organization, the probability of success decreases to virtually nil. It is also extremely important to have a buy-in from upper management and employees on all levels. If any of these levels is not enthusiastic about using the Six Sigma methodology, it can ultimately lead to failure. It is also important to keep in mind that the successful implementation of Six Sigma requires perseverance from the top.

The statistical representation of Six Sigma describes quantitatively how a process is performing. To achieve Six Sigma quality, a process must not produce more than 3.4 defects per million opportunities. In Six Sigma, a defect is defined as anything that does not comply with customer specifications.

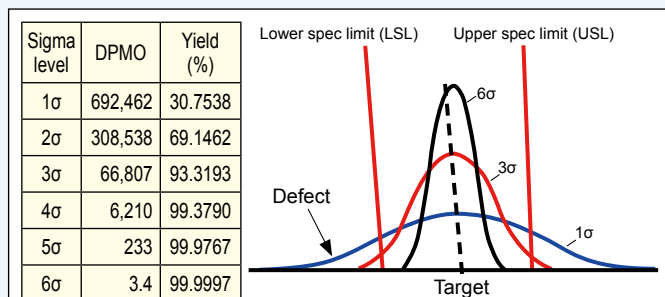


Figure 1. Six Sigma limits and defects per million opportunities (DPMO).

The tabular section is from Sheehy P., Navarro N., Silvers R., Keyes V., and Dixon D., *The Black Belt Memory Jogger: A Pocket Guide for Six Sigma Success*, Salem, New Hampshire: Goal/QPC, 2002.

### Six Sigma and process variation

It is generally observed that customers judge a product or service based on the benefits they derive from using that particular product or service. Therefore it can be safely said that overall customer satisfaction rests heavily on the consistency of the product or service offered. To achieve this

consistency, there must be a combination of improved process capability and reduced process variation. The more variability in a process, the greater the probability that a defect will occur. A key element in achieving operational excellence is to identify sources of variation which affect a process, product, or service. Once identified, the key sources can then be earmarked for attention.

### DMAIC methodology

The earmarking of key sources of variation is accomplished through the use of the Six Sigma define, measure, analyze, improve, and control (DMAIC) methodology. The Six Sigma DMAIC methodology differs from conventional problem solving in one significant way. There is a requirement for proof of a cause and effect relationship before any improvement action is taken. If the true cause(s) of a problem can be discovered, then by controlling or removing the cause(s), the problem can be reduced or removed. Thus, discovering the root cause scientifically is at the core of the Six Sigma DMAIC methodology. In general, there are five steps in the methodology, as listed in Figure 2.

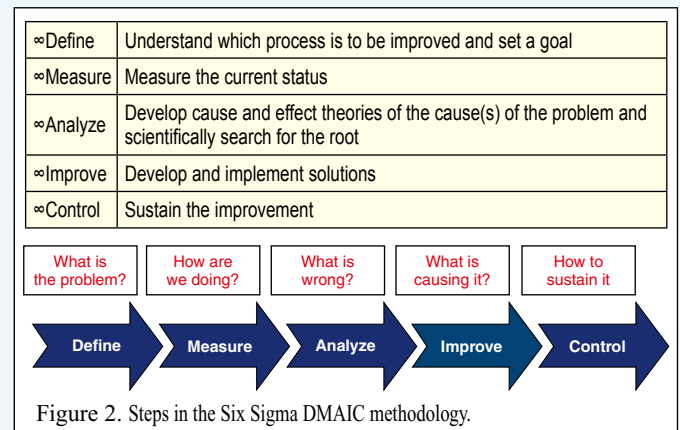


Figure 2. Steps in the Six Sigma DMAIC methodology.

(This article will continue in the July issue of the APO News, with details of each step in the DMAIC methodology.)



Contributed by Senior Manager of the Malaysia Productivity Corporation Kabir Ahmad Mohd. Jamil, resource speaker for the APO training course on the Development of Productivity Practitioners: Advanced Program. Kabir has extensive experience in the field of operation and process improvement, particularly in the manufacturing and service sectors.



To provide easy reference to productivity-related terms including methodologies, tools, and techniques, the APO developed the p-Glossary, available on its Web site ([www.apo-tokyo.org](http://www.apo-tokyo.org)). Definitions and explanations of Six Sigma are given in the p-Glossary.

# Mission to Fiji: Total factor productivity computation

An APO mission was sent to Fiji from 20 to 21 March 2009 under the research project on the APO Productivity Database (PDB) undertaken by the Research and Planning Department of the Secretariat. The dispatch of the mission was requested by the Training and Productivity Authority of Fiji (TPAF) in its endeavor to play the role assigned in the Fiji Productivity Charter, which mandates it to conduct research on productivity and its measurement. The TPAF is also assigned to provide pro-growth policy advice to the government based on the results of such research.

The main objective of the APO mission was to help Fiji build capacity under the leadership of the TPAF to collect, compile, estimate, and analyze national data for total factor productivity (TFP) measurement and analysis in line with the internationally harmonized methodology developed by the APO. That task can be daunting for many APO member countries, as detailed data are scarce in national accounts and appropriate estimates are needed to fill the lacunae for TFP computation.

The TPAF coordinated an initiative for TFP measurement for Fiji and involved all important national counterparts by forming a Productivity Measurement Committee. The committee is comprised of representatives of the cardinal national data producers, such as the Fiji Islands Bureau of Statistics, Reserve Bank of Fiji, and Ministry of Labour, Industry Relations and Employment.



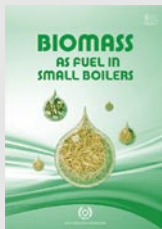
Prof. Nomura with Fiji Productivity Measurement Committee members

During the mission, a lecture by the chief expert-cum-PDB Project Manager Prof. Koji Nomura covered crucial topics such as the key determinants of economic growth, understanding TFP by measuring labor inputs and capital inputs and their computation methodology, coverage and availability of Fijian data, and specific issues in employment and gross fixed capital formation data to identify the targets and issues to be addressed by the TPAF to measure national TFP. The APO will continue advising the TPAF on the methodology and supervise data collection, compilation, computation, and analysis to enable a comprehensive productivity report for Fiji. 🌀

## Two-tiered approach for greater multiplier effects.....

(Continued from page 1)

The systematic alignment between regional workshops and national dissemination seminars is important in the success of this approach. “The objective of the regional workshop was to build the capacity of stakeholders, including industries, to collect, store, process, and use biomass as fuel in industrial boilers. It also created a pool of professionals in target countries who could undertake national dissemination projects,” explained Secretariat Industry Program Officer K.D. Bhardwaj. After the regional workshop, a training manual on biomass utilization for industrial boilers was published for use at the national seminars (e-edition of this manual is available on our Web site).



Another three national training programs took place in Cambodia, Fiji, and Malaysia to promote energy efficiency by disseminating knowledge from the Training of Trainers in Green Productivity and Energy Efficiency held in IR Iran, 15–19 November 2008. The success of those programs was particularly meaningful, since the multicountry training project was a face-to-face follow-up to a three-phase e-learning basic training course on energy efficiency held in early 2008. The participants, with the resource speakers’ guidance, provided the input for a training manual on energy management covering industrial applications like pumps, motors, boilers, furnaces, industrial lighting, and large buildings.

The APO tailored the programs and identified experts available for each host country in consultation with their NPOs. Two experts, one from India and one from Japan, were deputed to a national training program held in Malaysia, 28–30 April, which brought together 70 local participants, mostly energy industry engineers. “Overall, the participants were satisfied with the program, how it was conducted, its contents and arrangements,” said Indian

expert R. Virendra, who delivered practical knowledge and principles of energy efficiency, including technical tips for different sectors. Japanese expert Makoto Adachi provided case studies of energy efficiency. Although the experts were different, the national courses in Cambodia, 18–20 March, and Fiji, 25–27 March, had similar formats with 50 and 35 local participants, respectively.



Participants in Malaysia hear an expert presentation

This approach will be used at four national workshops in Indonesia, the Philippines, Thailand, and Vietnam on Food Safety Management later this year as follow-ups to a multicountry training course held for five ASEAN member countries and the host country on Food Safety Management for Seafood Processing and Marketing in the Republic of China, 17–22 November 2008. “The national seminars/workshops will be tailored to meet the host countries’ specific seafood safety needs. The scope and methodology will be finalized after confirmation by the implementing organizations and resource persons,” said Agriculture Program Officer Dr. Muhammad Saeed.

The APO hopes that this strategic alignment of different project categories will improve quality and performance and have greater multiplier effects to meet both the common and individual needs of member countries. 🌀

# Germany's knowledge management for business excellence

Germany defines knowledge management (KM) as “the building block of innovation.” The primary objective of KM in Germany is to support the transformation from reliance on manufacturing to an economy centered on knowledge-creating enterprises. Knowledge-intensive service-sector skills (predominantly in SMEs) rather than cutting-edge, R&D-intensive technologies are visualized as the backbone of the German economy in the future. The APO organized a study mission to Germany on Knowledge-creating Enterprises, 27 April–1 May 2009, in partnership with the German Federal Government, Benchmarking Partnerships, BCS Management, Eureki, and the German Association of Knowledge Management (GfWM). Sixteen KM champions from nine member countries traveled on this mission to Germany.

On the first day in Bremen, a visit was made to Airbus Corporation, a KM award winner in 2007 and home of the Columbus Space Station, A380 aircraft production and the Beluga carrier. That was followed by a presentation by Atlas Elektronik on Ten Years' Experience Using the Knowledge Cha-cha-cha. Other sessions at Airbus featured lectures by and discussions with Airbus partner Pumatic Technologies and the Airbus KM team. A benchmarking exercise using the Airbus Expert Transfer Model was followed by an experiment on customizing the model for the Asian context. On the second day, the group travelled to Nienberg, near Göttingen, to the SME BURGEL, a winner of the 2001 KM Award and pioneer in forming a collaborative network in the German bath and heating industry. The network focuses on the development of an apprenticeship and schooling system for plumbers, electricians, technicians, etc. through vocational schools, associations, guilds, and associations nationwide. This allows the industry through the generation of new talents craft while preserving the trade and skill standards.

On day 3, the Robert Bosch Car Multimedia GmbH in Hildesheim demonstrated KM applications on a customized production line. The Bosch culture created an “expert taxonomy” of new techniques and solutions in a central database accessible to all employees. The mission spent that evening at the Göttingen town hall to learn how the KM tradition had its roots in antiquity. Göttingen University has produced the most German Nobel Prize laureates, and the city has long been a key political, trade, science, and technology center. The mission visited 2005 KM Award Winner Deutsche Gesellschaft für Technische Zusammenarbeit (GtZ) GmbH on day 4 for a half-day workshop on KM in GtZ and a presentation by Siemens on KM for Merger and Acquisition Integration before traveling to Frankfurt to attend the German KM Workshop hosted by the German KM Society in the afternoon, where six presentations were made by notable KM practitioners and later an

evening session for social networking called “Ba” was orchestrated. On the fourth day, three special lectures were given by Reinisch AG (a pioneer in KM application for SMEs), the Schaeffler Group, and Siemens highlighting their enterprise KM models. In the afternoon of the same day, an discussion on SMEs and KM applications using the “intellectual statement” development was conducted by the experts.

The final day was devoted to a workshop for APO participants, who divided into three groups to plan KM roadmaps for SME businesses, innovation-creating enterprises, and technology-creating enterprises, respectively. A debriefing session was conducted by lead expert Dr. Peter Heisig, followed by a wrap-up session by experts Bruce Searles and Terry Pilcher.

Germany's efforts to evolve its KM applications through systematic, business-focused, interdisciplinary approaches will allow its enterprises to maintain market leadership and lead to more job creation. Those efforts involve the development of tool kits, publication of trade journals, national KM research projects, and a national KM expert database. A tripartite arrangement allows KM champions within geographic and business clusters known as “knowledge regions” as opposed to traditional industry clusters to seek various forms of support from the federal and regional governments. This has resulted in a KM national network such as the Hessen Agentur network, BITCOM, GfWM, and WiMiP (a self-funded network of private-sector representatives, with the exceptions of academics and consultants). Regional and professional networks are available throughout Germany, which contribute to the formation of communities of practice for KM. Although the work in KM is substantive, there remains room for improvement in measurement, quantification of direct and indirect benefits, and quality assurance challenges, German models are consistently singled out for excellence and

have been recommended as the basis for a common EU framework on KM, specifically the Fraunhofer or GPO-WM framework developed by Dr. Peter Heisig. They are also expected to transform the entire German economy to a knowledge-driven one based on the platform of KM as a driver of innovation and growth.

The APO Secretariat will examine and possibly exploit the German models observed for enterprises in member countries in the near future in collaboration with key German counterparts. This mission would not have been possible without the generous support of various German agencies. Participants found the mission timely, since KM practitioners in the Asia-Pacific now seek to refine their models to adapt to the changing socioeconomic environment. 🌀

## Integrated German KM strategy/framework

The collage consists of five images arranged around a central circular image. The central image shows Dr. Rolf Hochreiter speaking at a podium, labeled 'KM at national level'. The top-left image shows Dr. Peter Heisig, labeled 'KM at individual level'. The top-right image shows the Airbus Beluga carrier being loaded onto a transport aircraft, labeled 'KM at transnational level'. The bottom-left image shows a group of people in a meeting, labeled 'KM at group level'. The bottom-right image shows Eberhard BURGEL presenting at a screen, labeled 'KM at enterprise level'.

**KM at individual level**

*Dr. Heisig, German EU model developer*

**KM at national level**

*Participants at the German KM workshop*

*(Center photo) Dr. Rolf Hochreiter, Federal Ministry of Economics and Technology of Germany*

**KM at transnational level**

*Airbus's Beluga loading a section of the space station to send to NASA*

**KM at enterprise level**

*BURGEL Managing Director Eberhard BURGEL*

## Program calendar

August

### *Sri Lanka*

#### **Training course on Improving the Managerial Skills of Entrepreneurs in Agribusiness SMEs, 3–10 August.**

▶ Objective: To equip participants with the knowledge of productivity and management tools and techniques, as well as entrepreneurial skills for enhancing the performance of agribusiness SMEs and develop a training manual on the subject.

▶ Participants: Entrepreneurs of agribusiness SMEs, officers of SME development authorities, and representatives of agrifood industry associations/agricultural cooperatives, NPO consultants, and academia involved in agribusiness.

### *Republic of Korea*

#### **Multicountry observational study mission on Customer Relationship Management (CRM), 3–6 August.**

▶ Objective: To observe the key concepts and priorities of CRM and related tools and techniques and examine the applicability of innovative Korean CRM practices for application in other Asia-Pacific countries.

▶ Participants: Outstanding graduates from the APO e-learning course on CRM in 2008, marketing executives and consultants, CRM managers, and university professors from relevant faculties.

### *Indonesia*

#### **Workshop on Knowledge Management (KM) for SMEs, 10–14 August.**

▶ Objective: To discuss the relevance of KM and innovation in SMEs, explain the application of the APO KM framework and implementation approach for SMEs, and train participants in the methods, tools, and techniques of KM for SMEs.

▶ Participants: Chief executive officers/KM champions from SMEs practicing KM, KM consultants, heads of KM organizations and SME associations, KM researchers, and NPO consultants specializing in KM.

#### **Workshop on Productivity Improvement Tools for Agribusiness SMEs: Managing Food Safety in the Dairy Industry, 10–14 August.**

▶ Objective: To enhance the knowledge and develop the skills of participants in utilizing various productivity improvement tools and techniques in agrifood-processing businesses and familiarize them with food safety management tools and methodologies used in the dairy industry.

▶ Participants: Officers and staff of agribusiness enterprises or officers of industry associations, government agencies, NPO consultants, and academics involved in agribusiness or the dairy industry.

### *Singapore*

#### **Study meeting on Market Access for SMEs: Electric and Electronic Sector, 11–14 August.**

▶ Objective: To identify challenges faced by SMEs in accessing markets, assess the impact on supply chains of complying with international regulatory standards, share experiences in overcoming challenges, and encourage the adoption of green manufacturing and business collaboration.

▶ Participants: Senior officials from national or regulatory agencies and industry associations and senior executives or managers of associations/chambers of commerce and private companies.

### *Pakistan*

#### **Training course for Energy Auditors, 17–21 August.**

▶ Objective: To provide in-depth, application-oriented training in conducting energy audits in industries and buildings and create a pool of energy auditors.

▶ Participants: High-performing graduates from the APO e-learning course on Energy Auditing to be held in 2009.

### *Japan*

#### **Multicountry observational study mission on Quality Awards in APO Member Countries, 24–28 August.**

▶ Objective: To disseminate the concept of centers of excellence as a benchmarking network and platform, observe practical management quality practices in Japan, introduce business excellence frameworks in enterprises, and provide an international perspective on business excellence.

▶ Participants: NPO officers or representatives of related organizations.

## Rural agroprocessing enterprises



*Putra Bhineka Perkasa employees packing coffee*

The promotion of rural-based agroprocessing enterprises has important implications for employment and expanded agricultural production. Such enterprises, however, must contend with changes due to globalization, advances in biotechnology and information technology, and societal concerns about the environment, health, and nutrition.

To assist agroprocessors, the APO organized a workshop on Planning and Management of Rural-based Agroprocessing Enterprises in Bali, Indonesia, 11–15 May. The workshop was jointly implemented by the Ministry of Agriculture and Ministry of Manpower and Transmigration. The 21 participants from 10 member countries studied productivity tools and techniques, associated best practices, and new approaches. Representatives of the two ministries detailed practices related to government policy in Indonesia and its productivity tools. The APO deputed three resource speakers whose perspectives on agroprocessing improvement covered financial and investment decision making, supply chain management, community capacity development for rural-based agroindustry, and integration between industries and communities.

Field visits to three agroprocessing SMEs demonstrated how to establish and maintain a win-win relationship between the agroprocessing industry and agriculture: Tembesi Abattoir is a livestock-processing enterprise; Squeeze produces tropical fruit juice; and Putra Bhineka Perkasa PT processes coffee. The workshop concluded with the drafting of productivity improvement programs for agroprocessing enterprises as participants' follow-up activities.

## APO/NPO update

### **New APO Alternate Director for Republic of China**

Dr. Ming-Ji Wu, Director General, Department of Industrial Technology, Ministry of Economic Affairs, was appointed APO Alternate Director for the Republic of China, w.e.f. 20 May 2009.

### **New Acting Director of the Industry Department in APO Secretariat**

Ms. Setsuko Miyakawa, Senior Program Officer, Secretariat Industry Department, was appointed Acting Director of the Industry Department, w.e.f. 18 May 2009.

*Kindly contact your NPO for details of future 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](http://www.apo-tokyo.org).*

## Productivity Association of Pakistan launched

The National Productivity Organization (NPO), Pakistan, established the Productivity Association of Pakistan (PAP), the country's APO alumni association, on 25 April 2009 to strengthen networking with productivity experts and practitioners in the public and private sectors. The launch ceremony and concomitant workshop on Knowledge Management (KM) for Achieving Business Excellence were held at the Islamabad Chamber of Commerce and Industry (ICCI).



*PAP launch ceremony*

The ceremony was attended by ICCI President Shaukat Masud, Former NPO CEO Saquib Mohyuddin, and Chief Coordinator Ehsan-ur-Rauf Sheikh, Pakistan National Accreditation Council, along with members of the PAP Executive Committee, including PAP Vice President and APO Liaison Officer for Pakistan Ejaz Rasul Chawdhry and Secretary General Hasan Haider, Deputy General Manager of the NPO. More than 85 participants from public and private institutions registered for PAP membership.

PAP Vice President Chawdhry gave a welcome address stating that the PAP had been created as a productivity network among national and international participants. The PAP will operate under the NPO with the support of NPO CEO Muhammad Javed Malik, who is also the PAP President. "This initiative is the outcome of the APO project in Indonesia last year for the development of APO alumni in member countries," Chawdhry explained.

The workshop on KM was conducted by Secretary General Haider, who introduced productivity tools utilized by the Asian Tigers for industrial competitiveness. Haider also gave a comprehensive presentation on the PAP's strategies for achieving its objectives. He said that it was "the need of the hour" to develop productivity standards with the help of experts registered with the PAP. He added that the PAP Islamabad office would be followed by Lahore and Karachi offices by July 2009.

Former NPO CEO Mohyuddin expressed his appreciation to the NPO for launching the PAP. He was recognized as a founding member of the PAP since he had floated the idea in 2004. ICCI President Masud followed his formal announcement of the PAP's commencement by promising support in expanding the membership. He believed that the establishment of the PAP was well timed to add to the productivity and quality culture in the economic sector of Pakistan.

Haider, on behalf of the PAP Organizing Committee, concluded the one-day event by thanking everyone in attendance for the positive response and cooperation. He gave special thanks to the two PAP Program Coordinators "for their untiring, dedicated, and committed efforts in launching this association successfully."

*Contributed by PAP Program Coordinator Nadia Masood, NPO Pakistan.*

## Annual General Meeting of the APO Society for Bangladesh

The APO Society for Bangladesh, the country's APO alumni association, held its 7th Annual General Meeting (AGM) in the Auditorium of the Roads and Highways Department in Dhaka on 4 April 2009. This was followed by a seminar on Corporate Social Responsibility (CSR) for Productivity Promotion. The AGM-cum-seminar was composed of inaugural, seminar, and AGM business sessions and concluded with a cultural program and dinner for social networking among APO Society members, including the President, Vice Presidents, and members of the Executive Committee.

"The government is stepping forward to implement Vision 2021 in order to create an industrially developed Bangladesh," remarked Minister of Industry Dilip Barua in his commemorative message to the society. Minister Barua, who attended the inaugural session as the chief guest, stressed the pivotal role of professionals working for productivity improvement in creating a more prosperous Bangladesh. Ministry of Industries Secretary and APO Director for Bangladesh Dewan Zakir Hussain also attended the inaugural session as a special guest and said, "Unless we improve productivity the challenges of economic recession cannot be effectively overcome." He appreciated the efforts of the society and hoped that it would have a significant impact on the promotion of productivity nationwide.

During the welcome address, NPO Director and Vice President of the Society Dr. Md. Nazrul Islam expressed his hope that the activities of the society would receive the support and assistance of all stakeholders. President of the Society Sharif M. Afzal Hossain and the Secretary General Abdul Baqui Chowdhury, APO Liaison Officer for Bangladesh, also gave addresses in which they thanked all members for their support and encouraged them to play a more active role in spreading the productiv-

ity message. APO Secretary-General Shigeo Takenaka sent a congratulatory message to the APO Society for Bangladesh, in which he wrote, "I hope that this annual meeting will not only strengthen the bonds among society members but also serve as a venue for the development of creative ideas for the productivity movement."



*APO Society President Hossain (L) presenting a plaque of appreciation to Minister Barua (R)*

Following the inaugural session, Deputy General Manager Dr. Yeameen Akbory, SME Foundation Bangladesh and an APO alumnus, presented a key paper on CSR planning and how it can improve industrial productivity by ensuring labor rights, environmental protection, human resources management, and health and safety at work. A lively discussion of CSR practices ensued, with society members participating enthusiastically.

The meeting elected Managing Director Mohammad Jawaid Yahya, Advent Pharma Ltd., and NPO Research Officer Md. Musabbir as President and Secretary-General of the APO Society for Bangladesh, respectively, for 2009–2011, and five Vice Presidents and Executive Committee members. The yearly plan of the society, including details of the next AGM in 2010, was approved. The 7th AGM was covered by local media.

*Contributed by Secretary General of the Society Abdul Baqui Chowdhury.*