



A·P·O *news*

MONTHLY NEWSLETTER OF THE ASIAN PRODUCTIVITY ORGANIZATION

Soliciting media support for productivity

"Despite the long history of the productivity movement in the [Asia-Pacific] region, it is generally felt that the productivity message has yet to reach the majority of people in most countries. A prerequisite for achieving higher productivity is the widespread prevalence of a productivity culture within a country. This means the concept of productivity must first be understood and appreciated by all the people. Many APO member countries lack the machinery and resources to do this. They need all the help they can get. One resource that could make a difference for them is the mass media—newspapers, radio, and television. They reach into homes on a scale that other means of promotion could not hope to achieve."

Thus said APO Secretary-General Shigeo Takenaka as he bade welcome to 17 representatives from 14 countries attending the APO multi-country study mission on the Media and Productivity that took them to Bangkok, Thailand, and Hanoi, Vietnam, 20–24 September 2004. At that moment, the participants were gathered in Bangkok at the World Bank Thailand Development Learning Center in Chulalongkorn University, while the Secretary-General was speaking from the World Bank Tokyo Development Learning Center in Japan. They were connected for a live videoconferencing session on the "Productivity Movement: A Marathon with No Finish Line" led by APO Secretariat Consultant Yoshikuni Ohnishi (see box story on page 5 for highlights of his presentation).

In his welcome address, his first to a group of APO participants, Takenaka also told his audience of mostly media people that they have a unique and essential role in the productivity movement, adding that the study mission was organized specifically to solicit their support. "I would like to appeal to you to give prominence to news reports on productivity-related matters so that the public will be educated in its importance and they will want to do their part to improve the productivity performance of the country and the organizations they work for."



Dhawatchai speaking to mission members

Earlier in the program, the participants were first given an overview of the mission and work of the APO and then plunged into an in-depth exploration of the concept and importance of productivity. Their guide was Kenneth Mok, Director for Information and Public Relations, APO Secretariat. They were next taken through Thailand's master plan for productivity promotion and improvement by Thailand Productivity Institute Executive Director Dhawatchai Tangsanga. To give substance to theory, the participants wound up their program in Bangkok with a rewarding visit to Thai Acrylic Fibre Co. Ltd., the first winner of the Thailand Quality Award and a model of corporate excellence in quality and productivity.

(Continued on page 5)

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"The victors of the battles of tomorrow will be those who can best harness thought to action."

B.C. Forbes

INSIDE

- 2.... **p-Guru**
- 3.... **p-TIPS**
- 4.... **New APO video**
- 4.... **Common Sense Talk**
- 5.... **Productivity movement: more private-sector initiative expected**
- 6.... **APO-World Bank GDLN collaboration**
- 6.... **Knowledge management in the service industry**
- 7.... **p-Experts**
- 7.... **APO/NPO update**
- 7.... **Program calendar**
- 8.... **Strengthening OVOP movements in Asia**
- 8.... **New business frontiers on the Internet**

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Success is spelled with 4Cs

A small country with no natural resources, Singapore realized from the day it attained independence the critical role productivity would play and that workers, employers, and government had to pool their efforts and strive for continuing increases in productivity and output in all enterprises.

Since then, there has been a continuous push for greater efficiency and effectiveness. In the 1970s, the nascent productivity effort focused on technical and management systems, contributing to the success of Singapore's first industrialization drive. In the 1980s, there was an increasing realization that the new economic environment demanded not only diligent but also skillful workers. Taking a leaf from the Japanese book, Singapore's productivity movement was born in 1981 to focus on the human aspects of productivity.

It was a challenge. Productivity does not come naturally. To improve productivity, people had to change and change is never easy. The productivity movement in Singapore has now lasted for more than two decades. From 1981 to 2003, labor productivity improved by an average of 4% a year, driving economic growth of 6% a year. What underpins such sustained growth? I would like to share the four Cs for successful national productivity movements: nurturing a productivity culture; building people and organizational competencies; strengthening the connectivity of people, capital, and systems; and facilitating the right conditions.

Nurturing the productivity culture

The culture of any group, organization, or society is the sum of its philosophy, values, beliefs, rites, personality, rituals, and rules for behavior. It shapes how people act, directing them to be fast or slow workers, individual or team players, agile entrepreneurs or sluggish bureaucrats. A productive nation must start with a "productivity mindset." One of the key success factors of a productivity movement is the need to rally the people, change their mindset, harness their passion, hone their skills, and build them into a cohesive competitive team. The productivity movement therefore begins with people.

The importance of promoting the right mental models transcends the passage of time. In



Singapore's investment-driven phase of economic development, positive work attitudes, such as teamwork, pride in work, skills upgrading, and service quality, were stressed. While these qualities continued to remain important, a new slant was needed for the new knowledge-driven economy. For example, skills upgrading must not be viewed as once-in-a-lifetime learning. Lifelong learning and learning to learn have to become second nature to the workforce. Other qualities are also needed. Two attributes often cited are creativity and innovation. A successful productivity movement in the 21st century must nurture creative and innovative workers who do not just solve problems and perfect the existing, but who can harness knowledge and technology to create new values and make a significant difference to their organizations.

Building competencies for value creation

With human capital as its only resource, Singapore has depended on education and training as critical cornerstones of its productivity strategy. The Skills Development Fund, Institute for Productivity Training, on-the-job training, and critical enabling skills training are only a few of the initiatives developed to equip workers with the foundation and technical and managerial skills to enable them to perform better. The aim is to develop workers who are not just highly skilled but multi-skilled, and not just passive technicians but knowledge workers who are able to think, use information, and be innovative. We cannot mandate productivity. We have to provide the tools to let people become productive.

With the knowledge content of all work increasing steadily, all workers will require more

knowledge to perform their jobs. Jobs at the lower end will need higher minimum skills than before. At the higher end, managers must be able to manage knowledge better in the organization. Facilitating infrastructure and systems must be put in place to ensure that the skill requirements are met and to provide organizations with a systematic process for reviewing their human resources practices and developing people to achieve better business results. In 2000, Singapore developed a National Skills Recognition System to provide a framework for establishing job skills, competencies, and alternative skill acquisition routes and certifying workforce skills.

Organizations themselves must have the right capabilities for wealth creation. The world's most competitive enterprises have not only invested in and exploited superior technology, but also possess management and organizational capabilities that bring technology and manpower together into synergistic collaborations within the enterprise. They move "beyond quality" and aspire to excellence and "best-in-class" performance. A broad, holistic "business excellence" approach is required.

Strengthening connections and collaborations

Another crucial aspect is collaboration and connection. By strengthening and leveraging linkages at national, regional, and international levels, the productivity movement can help to enhance knowledge and technology flows for the nation's development. Singapore has enjoyed huge benefits from such connectivity.

One example of domestic connectivity is tripartite cooperation among the government, employers, and workers. Many policies have been formulated in consultation with both employers and workers and implemented with their involvement. The harmonious climate resulting from tripartism has engendered confidence in foreign investors.

Thanks to international connectivity, including connectivity to the APO, Singapore's productivity movement has been able to benefit from the experience and guidance of others. The Japanese productivity movement was a significant source of early inspiration. Over the years, new ideas and lessons have also been drawn from best practices in other developed countries. Like its workers and organiza-

tions, a productivity movement that wants to remain relevant and successful must also practice lifelong learning by scouring the world for best practices.

Enhancing environmental conditions

It is increasingly acknowledged that competition spurs productivity improvement and economic development. In a competitive market, firms constantly try to gain an advantage over their rivals by increasing efficiency or offering more attractive terms to customers. This competitive process encourages the development of improved products and, in the long run, enhances economic growth and living standards.

To foster competition, sound physical infrastructure, legal and institutional mechanisms, standards and technical infrastructure, and financial and knowledge infrastructure are needed. A successful national productivity movement needs a gamut of supporting structures to facilitate the process of value and wealth creation. For example, globalization has placed many of Singapore's companies at the forefront of strategic processes, in close proximity with world-class businesses. They must meet

high technical standards, requiring them to view standardization as a strategic management tool and technical standards as best practices. The government supported the development and adoption of IT standards that would enable companies to exchange information efficiently and quickly. This initiative was aimed at improving interoperability among companies and adopting the best of technologies and practices.

Standardization initiatives are useful for helping businesses to lower costs and create value. The productivity movement could examine issues relating to the cost of doing business, such as regulatory burdens on firms, access to financing for small businesses, etc.

Conclusion

There is a vast spectrum of areas to be addressed by the productivity movement: imbuing enterprises and employees alike with the right mindset; equipping them with the right capabilities; forging linkages among people, among organizations, and between organizations and knowledge; and enhancing the business environment. The drive for

productivity has often been described as a marathon with no finishing line. With new and drastically different challenges in the economy arising all the time, I would venture to add that it is more like a decathlon—an event that requires not only a steel will but also mastery of many different competencies. To win this decathlon will require a combination of speed and stamina, flexibility and determination, and critically, innovation, in addition to the 4Cs. 🌀

Lee Suan Hiang is currently the CEO of the Singapore National Arts Council. Prior to this, he was the Chief Executive of the Singapore Standards, Productivity and Innovation Board, where he still serves as a Board Member, and Deputy Managing Director of the Economic Development Board. A Colombo Plan Scholar, Lee is a board member of numerous organizations, public and private; a recipient of many awards, including the Singapore National Day Public Administration (Gold) Medal; and a Fellow of several institutions, including the World Academy for Productivity Science.



p-TIPS

It's all in the mind (the five minds of a manager)

Managers are told to think globally but act locally, compete yet collaborate, change continuously but maintain continuity. No wonder many are confused. Managers actually require five distinct mindsets, according to "The Five Minds of a Manager," by J. Gosling and H. Mintzberg in the November 2003 *Harvard Business Review*.

1) Reflective mindset

Stepping back and reflecting on experiences allow mistakes to be identified. Reflection may also lead to seeing things in new ways, e.g., a product as a service or customers as partners (or vice versa).

2) Analytical mindset

Go beyond crunching the numbers. When a decision must be made, analyze the analysis of others to determine the biases they may have had and the data and assumptions used.

3) Worldly mindset

People tend to think of the world as an increasingly homogeneous place but it is really a collection of worlds within worlds, with definite boundaries and edges. Just because a company sells products globally it may not take into account how those products are perceived and used in different

cultures. Managers with a worldly mindset spend time in places where products are made, customers served, and environments threatened.

4) Collaborative mindset

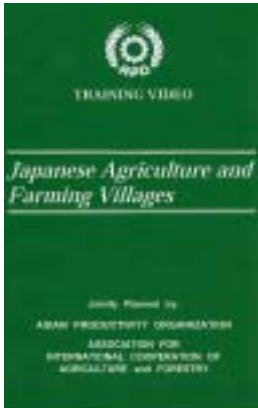
Managing collaboratively means managing not people but relationships. Good managers listen more than they talk and ask questions more than give orders. They also distribute management functions so that responsibility goes to whoever shows initiative.

5) Action mindset

We are told that we must change or else. But while this is an age of change, not everything is changing (which we tend not to notice). Managers with action mindsets focus organizational energy on changing what needs to be changed, while carefully maintaining those that don't.

Integrating the mindsets

Successful managers integrate the five mindsets into a single whole. They reflect, act, and reflect some more; realize that collaboration is necessary, for which they must enter the world of others to analyze more data and viewpoints; and then act again in an endless cycle.



JAPANESE AGRICULTURE AND FARMING VILLAGES

APO September 2004 17 minutes
VHS/PAL & VHS/NTSC US\$60.00

This video presents the history, current situation, and challenges facing Japanese agriculture. It commences with the observation that despite Japan's modernization and industrialization in the mid-19th century, "the majority of farmers lived from hand to mouth and could not afford to invest to improve agricultural practices or their living conditions." It goes on to state that Japan's economic development was centered on the industry sector and the benefits did not filter down to rural areas.

The video then focuses on postwar agricultural land reform and the establishment of agricultural cooperatives that played a key role in the modernization of the agriculture sector. Agricultural extension services were instrumental in enhancing agricultural productivity and improving living standards in rural areas.

In the 1960s, Japan's agricultural production increased, keeping pace with the nation's high economic growth, and farming modernized rapidly. Better production technologies and infrastructure improved agricultural productivity. Japan became self-sufficient in rice by the mid-1960s. Around that same time, consumer demand began to shift away from rice to fruit, meat, and dairy products, resulting in rice surpluses. The government began to accelerate the diversification of agricultural activities into livestock breeding, fruit cultivation, and planting new crops like wheat and soybeans.

Meanwhile, living conditions in farming villages improved steadily. The nutritional status of farm households made remarkable progress. In the 1970s and 1980s, modern technologies became commonplace in farming villages and the living environment was as good as in urban areas.

The proportion of part-time farm households soared as employment opportunities for farmers increased. The majority of farm households now rely heavily on off-farm income. Full-time farmers are engaged in large-scale and specialized farming.

The video then provides an overview of Japanese agriculture by region. It concludes with a summary of the challenges facing Japanese agriculture today: agriculture's share of the nation's GDP has dropped to only about 1%; Japan's food self-sufficiency rate has declined to about 40%, the lowest among developed countries; structural problems, such as small farm size, an aging workforce, shortage of successors, and increasing proportion of part-time farmers, remain unsolved; in remote villages, out-migration and abandoned farmland are on the increase; and consumers are becoming more conscious of food safety.

The video was jointly planned by the APO and the Association for International Cooperation of Agriculture and Forestry, now known as the Japan Association for International Collaboration of Agriculture and Forestry, and produced by the Agriculture and Forestry National Broadcasting Corporation.

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



"The best way to hold your customers is to constantly figure how to give more for less."

Jack Welch

"I'm a brand."

Martha Stewart

"The surest foundation of a manufacturing concern is quality. After that, and a long way after, comes cost."

Andrew Carnegie

"Every country that has caught up has done it by copying."

Lester C. Thurow

"The worse the news, the more effort should go into communicating it."

Andrew S. Grove

"The victors of the battles of tomorrow will be those who can best harness thought to action."

B.C. Forbes

"Honest disagreement is often a good sign of progress."

Mohandas K. Gandhi

"Size works against excellence."

Bill Gates

"Business has only two functions—marketing and innovation."

Peter Drucker

"We cannot become what we want to be by remaining what we are."

Max Depree

Productivity movement: more private-sector initiative expected

On 21 September 2004, APO Secretariat Consultant Yoshikuni Ohnishi conducted a live videoconferencing session on the “Productivity Movement: A Marathon with No Finish Line.” He spoke from Tokyo to participants of the APO Study Mission on the Media and Productivity who were gathered at the World Bank Thailand Development Learning Center in Chulalongkorn University, Bangkok. Ohnishi started off by drawing attention to the shifting focus of productivity—from supply side to demand side, from economic dimensions to social ones, and from technology oriented to human oriented—brought about by changes in the business environment and rising expectations of society. He cited examples of how this has affected the work of NPOs in APO member countries, adding that the NPOs themselves are faced with many challenges, including seeking financial resources, building in-house capabilities, and overcoming competition in the services they provide. He advocated that the more advanced NPOs should take on a benefactor role by increasing their assistance to the weaker ones.

In tracing the development of the productivity movements in the region and the ownership and management of NPOs, Ohnishi contended that eventually most of the productivity initiatives would be undertaken by the private sector as it has the experience, skills, knowledge, and resources. In addition, NPOs generally tend to lack speed and dynamism in responding to the needs of society. To overcome this, a few of the more advanced NPOs



Ohnishi (L) listening to a comment by Dardashti of Iran

have resorted to corporatizing some of their services, particularly training and consultancy, where they are managed like private-sector companies. Despite his contention, Ohnishi believes that the NPOs will continue to have a crucial role to play, especially in: 1) facilitating private-sector involvement; 2) serving sectors that do not have means and capabilities of their own to undertake human resources development and information gathering, like SMEs and non-urban sectors; and 3) developing core competencies to offer services for which others are willing to pay.

Ohnishi concluded his presentation by pointing out the four factors critical to the success of a productivity movement: dynamic leadership, governmental support, involvement of all stakeholders, and development of core competencies. ☺

Soliciting media support for productivity (Continued from page 1)

Early the next morning, the mission members flew to Hanoi for the second part of their program, which included attending the Vietnam Productivity Centre (VPC) 9th Productivity and Quality Forum with the theme “Ahead of Time,” visiting Man De Village which implemented a Green Productivity program, and engaging Dr. Ngo Quy Viet, Director-General of the Directorate for Standards and Quality and APO Director for Vietnam, Ms. Nguyen Thi Bich Hang, VPC Managing Director and APO Liaison Officer for Vietnam, and Mr. Hoang Viet Cuong, VPC Director for Environment and Community Development, in a roundtable meeting on productivity.

All the media representatives in the mission were unanimous in their agreement with APO Secretary-General Takenaka that the media can play a key role in productivity promotion. Prior to joining the mission, most were not familiar with the productivity concept or the work of the NPOs in their respective countries. Apparently little was done to involve them in the national productivity movement. *APO News* spoke to two participants, Mohebal Dayani Dardashti, who heads the Isfahan Bureau of the Islamic Republic News Agency, Iran, and Director of Media Shiraz Latif, Pakistan Ministry of Information and Broadcasting. Latif expressed a need to sensitize media professionals to productivity issues and to develop their capabilities in productivity reporting. Research briefs on productivity should also be made available to them. It is also desirable to involve them in national committees dealing with productivity issues, not only for the purpose of reporting but to generate in them a sense of ownership



(L-R) Hang, Dr. Viet, and Mok at the roundtable discussion

of the issue. Latif further suggested the creation of a network of journalists interested in productivity issues.

Dardashti suggested that the NPOs should engage in interactions with the media, provide them regular briefings on upcoming productivity promotion programs and issues, allow them to sit in on their programs, give them access to relevant information archives, and introduce them to productivity experts and activists. He is in favor of forming an association of “productivity journalists” to encourage public dialogue on current productivity issues, provide training on productivity reporting, and serve as an advocate for productivity. ☺

— APO-World Bank GDLN collaboration —

In June 2000, the World Bank launched its Global Development Learning Network (GDLN) with the objective of improving the effectiveness of development efforts by enhancing the capacity of practitioners. The GDLN makes use of IT and videoconferencing methodologies to support knowledge sharing and distance learning. There are some 70 centers worldwide, including 10 in APO member countries. Since the Tokyo Development Learning Center (TDLC) was established in June this year, the APO has been working closely with the TDLC to forge a long-term partnership for distance learning programs for the socioeconomic development of the Asia-Pacific region. Two videoconferencing sessions were held in September using GDLN facilities. One was on 20 September when the GDLN's centers in Manila, Tokyo, and Ulaanbaatar were connected for live presentations delivered from Manila and Tokyo to a group of 23 participants from 13 APO member countries attending a seminar on "Participatory Microcredit for Integrated Community Development" held in Ulaanbaatar, 20–25 September.

The next day, 21 September, a live videoconferencing session was held between the TDLC and the Thailand Development Learning Center in Chulalongkorn University, Bangkok. This was part of the APO study mission on the Media and Productivity held in Thailand and Vietnam (*see front page for full story*). The session was officiated by APO Secretary-General Shigeo Takenaka, World Bank Vice-President and Special Representative to Japan Yukio Yoshimura, TDLC Partnership and Programs Manager Ryu Fukui, and Chulalongkorn University Vice President Dr. Kamales Santivejkul. Takenaka thanked the World Bank for allowing the APO the use of its state-of-the-art facilities and expressed the hope for more collaboration between the two



(L-R) Fukui, Yoshimura, Takenaka, Ohnishi, and Mukesh Bhattarai, APO Secretariat

bodies in the future. Yoshimura expressed appreciation for the APO's interest in working with the World Bank GDLN to deliver high-quality distance learning programs to contribute to the socioeconomic development of Asia and the Pacific. Fukui said that the GDLN is aimed at supporting capacity building programs relevant to sustainable development and poverty reduction in developing countries and welcomed the opportunity to work with the APO in achieving these goals. Dr. Kamales, who spoke on behalf of the Thailand DLC, expressed the hope that the cooperation between the APO and the World Bank GDLN would result in the achievement of mutual goals and greater collaboration in the future. ☺

Knowledge management in the service industry

On 2–6 August 2004, Mongolia hosted the APO seminar on "Knowledge Management in the Service Industry" in Ulaanbaatar for 23 participants from 14 APO member countries. The objective was to study the implementation of knowledge management in service organizations and the critical issues involved. The opening session was graced by the Mongolian Vice Minister for Industry and Trade O. Erdenee. The seminar was inaugurated by Dr. Pagvajav-Un Shurchuluu, APO Director for Mongolia and Chairman and CEO of the National Productivity and Development Center of Mongolia, who described knowledge management as a systematic process of connecting people to each other and to the information they need to act effectively. "Knowledge management initiatives are intended to enhance performance through the identification, capture, validation, and transfer of knowledge," Dr. Shurchuluu explained. He further commented that three vital elements are involved in improving service productivity: people, working methods, and customers.

The seminar adopted an interactive approach to encourage knowledge sharing among the participants. They were divided into three teams to



Seminar participants

deliberate on major points covered in the seminar: benefits of knowledge management; barriers to its implementation; and innovative ideas for its successful adoption. Among the barriers identified were a lack of awareness of knowledge management, inadequate knowledge on the subject, and a less than conducive work culture. The participants felt that a fundamental prerequisite for implementing knowledge management would be the inculcation of a culture of knowledge sharing within and among organizations and countries. ☺



p-Experts deputed by the APO

BANGLADESH

Mr. Nirund Chimpalee, Consultant, Production Technology and Management Upgrading, Thai Footwear Association, was deputed to serve as an expert on Improvement of Productivity and Quality in the Footwear Industry, 31 August–9 September 2004.

REPUBLIC OF CHINA

The following were deputed to serve as resource speakers in the seminar on Organic Farming for Sustainable Agriculture, 20–25 September 2004: **Dr. Manuel S.J. de Leon**, Consultant, Philippines; **Dr. Toshio Nomiyama**, Associate Professor, Department of Biological Production, Tokyo University of Agriculture and Technology, Japan; **Dr. Toshio Oyama**, Senior Researcher, Agricultural Policy Research Committee, Inc., Japan; and **Prof. Michinori Nishio**, formerly of the University of Tsukuba, Japan.

Ms. Lok Lee Lee, Manager, Best Practices Management Division, National Productivity

Corporation, Malaysia, was deputed to conduct “Internal Training of Database Design,” 22–24 September 2004.

Mr. Mamoru Munakata, Secretary-General, Japan Association of Chain Drugstores, and **Prof. Yung-Ho Suh**, Kyunghee University School of Management, Republic of Korea, were deputed to make presentations at the International Quality Management Conference on Service Quality and Customer Satisfaction, 21–23 September 2004.

FIJI

Dr. Ryoko Toyama, Associate Professor, Graduate School of Knowledge Science, JAIST, Japan, was deputed to conduct a training course on Knowledge Management, 6–10 September 2004.

Dr. Joy Jau Woie Chang, Manager, R&D Center for SCM, Pou Chen Group, Republic of China, was deputed to serve as resource person on Industrial Engineer Training, 6–9 September 2004.

INDIA

Mr. Mohamed bin Mohd. Nuruddin, General Manager, Construction Technology Development Division, Construction Industry Development Board, Malaysia, and **Mr. Tan Wee Teck**, Secretary-General, Asian Concrete Construction Institute, Singapore, were deputed to serve as resource persons in the seminar on Productivity, Development, and Competitiveness in Construction, 9–10 September 2004.

INDONESIA

Mr. Yasuhiko Inoue, Consultant, Japan Productivity Center for Socio-Economic Development, was deputed to serve as consultant to finalize the Member Country Support Program, 13–17 September 2004.

ISLAMIC REPUBLIC OF IRAN

Prof. Noriyoshi Oguchi, Faculty of Commerce, Senshu University, Japan, was deputed to conduct a seminar on Total Factor Productivity Measurement, 4–8 September 2004.

Mr. Mah Soo, Consultant, Trademall Dotcom, Malaysia, and **Dr. Peck Thian Guan**, Director, Office of Safety, Health, and Environment, National University of Singapore, were deputed to provide follow-up technical expert services in the Green Productivity Demonstration Project at the Thermal Power Plant, 18–23 September 2004.

JAPAN

The following were deputed to serve as resource persons in the seminar on Rice is Life: Various Aspects of Rice-based Agricultural Systems, 8–15 September 2004: **Dr. Christopher Alan Gregory**, Reader in Anthropology, Australian National University School of Archaeology and Anthropology; **Dr. Yunita Triwardani Winarto**, Visiting Professor, Division of International and Area Studies, Pukyong National University, Republic of Korea; **Dr. Emiko Ohnuki-**

Program calendar

Pakistan

Seminar on Improvement of Agricultural Marketing Systems for Enhancing International Competitiveness, 7–12 February 2005.

Thailand

Seminar on Niche Market Development, 24–28 January 2005.

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.

Tierney, William F. Vilas Research Professor, Department of Anthropology, University of Wisconsin, USA; and **Dr. Vo-Tong Xuan**, Rector, Angiang University, Vietnam.

REPUBLIC OF KOREA

Mr. Supramaniam Sinnasamy, Director and Deputy Chairman, Business Ethics Institute, Malaysia, was deputed to serve as resource person in the workshop on Green Productivity and Eco-business Development, 20–24 September 2004.

MALAYSIA

The following were deputed to serve as resource persons in the International Conference on Green Supply Chains and Workshop on Green Procurement, 2–4 September 2004: **Prof. Hideki Nakahara**, Chair, Green Purchasing Network, Faculty of Environmental and Information Studies, Musashi Institute of Technology, Japan; **Prof. Ryoichi Yamamoto**, Professor, International Research Center for Sustainable Materials, Institute of Industrial Science, University of Tokyo, Japan; and **Dr. Chaiyod Bunyagidj**, Vice President, Thailand Environmental Institute.

Mr. Masatoshi Yoda, Corporate Adviser, Ebara Corporation, Japan, was deputed to serve as resource person in the Eco-Products International Fair 2004, 2–4 September 2004.

Mr. R.C. Monga, Deputy Director-General, National Productivity Council, India, was deputed to make presentations at the ILO/IOE/CAPE Asia-Pacific Regional Meeting of Employers on Competitiveness through Productivity Improvement, 14–15 September 2004.

The following were deputed to serve as resource persons in the Development of Productivity Specialists: Advanced Program, 20–21 September 2004: **Mr. Koh Kasuga**, Special Adviser, Japan Productivity Center for Socio-Economic Development; **Mr. Choo Tuck Low**, Director, Planning Division, SPRING Singapore; and **Mr. R.C. Monga**, Deputy Director-General, National Productivity Council, India.

APO/NPO update

New APO Director for Bangladesh

Mr. Ayub Quadri, Secretary, Ministry of Industries, was appointed as the new APO Director for Bangladesh w.e.f. 16 September 2004, in place of Mr. Shoaib Ahmed.

New NPO Head for India

Ms. Sunila Basant, IAS, was appointed Director-General of the National Productivity Council, w.e.f. 16 September 2004, in place of Dr. S.K. Pachauri, IAS.

New APO Alternate Director for Japan

Mr. Shiro Sadoshima, Deputy Director-General, Ministry of Foreign Affairs, was appointed as the new APO Alternate Director for Japan w.e.f. 14 September 2004, in place of Mr. Motohide Yoshikawa.

New APO Alternate Director for Malaysia

Ms. Nik Zainiah Nik Abdul Rahman was appointed as the new Director-General, National Productivity Corporation, and the new APO Alternate Director for Malaysia w.e.f. 2 October 2004, in place of Mr. Mah Lok Abdullah.

New APO Liaison Officer for Mongolia

Ms. Gonchig Enkhtaivan, National Productivity and Development Center, was appointed as the APO Liaison Officer for Mongolia w.e.f. 5 October 2004.

New APO Alternate Director for Pakistan

Mr. Zafar Iqbal, Joint Secretary, Administration and Finance, Ministry of Industries, Production & Special Initiatives, was appointed as the new APO Alternate Director for Pakistan w.e.f. 11 October 2004, in place of Mr. Abdul Rauf Khan.

■ Strengthening OVOP movements in Asia ■

The “One Village, One Product” (OVOP) movement had its origin in Japan 25 years ago. Since then, it has been adopted by other countries in Asia, including the Republic of Korea, Malaysia, Mongolia, the Philippines, and Thailand. Oita Prefecture in Japan launched this innovative program as a strategy to revitalize rural development. It involves a local community identifying one or a few products the people excel in making, concentrating resources on its production, establishing it as a local brand, and marketing it to the entire country and beyond. An OVOP movement has three guiding principles: 1) think globally, act locally; 2) self-reliance and creativity; and 3) develop human resources. A successful OVOP program has these characteristics: villagers are the main players; profits are returned to the village; the wealth of the village increases with rising production; and the village specializes in the items it produces. However, not all OVOP movements have achieved the desired outcome.

To provide an in-depth study on the role of OVOP programs in sustainable community development and to identify the factors in their successful implementation, the APO organized a seminar on the “One Village, One Product” Movement for Community Development in Thailand, 17–23 August 2004. It was attended by 15 participants from 13 APO member countries and seven observers representing Oita Prefecture, Japan International Cooperation Agency, Japan Bank of International Cooperation, United Nations Center for Regional Development, and Ritsumeikan Asia Pacific University.

Thailand was chosen as the host of the seminar as it has a thriving OVOP program called “One Tambon, One Product” (OTOP). It was launched in 2001 with a national investment of Bht1.5 billion to create jobs and raise income in local communities, promote local wisdom, use local manpower and materials as the main resources in products created, foster human resources development, and promote creative thinking. OTOP’s more specific targets are: 1) achieve domestic sales value of Bht30 billion and foreign sales value of Bht5 billion; 2) establish standards for 500 items; 3) certify 2,000 groups; and 4) establish four OTOP villages as tourist destinations. Most of these targets will be met by the end of 2004. OTOP products cover the following categories: food, beverages, fabric and textiles, furnishing and decorations, artifacts and souvenirs, and nonedible herbal medicine. For field study, the participants visited an OTOP village, a doll factory, and a mulberry papermaking company.



Participants at an OTOP village

After the visits, they identified the following as strengths in the Thai OTOP program: strong government support, Thai culture, and the people’s belief in and commitment to OTOP. Among weaknesses, they mentioned inadequate markets, a heavy dependency on government-driven initiatives, and possible conflicts of interest between local communities and SMEs. ☺

New business frontiers on the Internet

Asia is experiencing rapid developments and breakthroughs in the utilization of IT, particularly the use of the Internet for e-commerce. According to Prof. Cheol H. Oh of Soongsil University, Republic of Korea, e-commerce will grow significantly to become a huge and lucrative new business frontier. Prof. Oh was speaking at the APO study meeting on the “Internet and New Business Frontiers” held in Taipei, Republic of China, 20–23 July 2004. The APO sponsored this program to study business prospects on the Internet and to formulate a set of guidelines for successful e-commerce. It was attended by 16 participants from 12 APO member countries.

Another speaker at the study meeting was California State University Long Beach Prof. Michael Chung. He said that in the USA the hype associated with past dot.com boom-and-bust days were long gone. Today, e-commerce has become more focused. In addition, the resources and skills required for Internet business are readily available. With the right paradigm, Internet business holds great promise.

Successful e-commerce companies from the host country—Seednet.com, PChome.com, and SMEhub.net—presented their business operations and strategies. From Malaysia, Ms. Fione Tan, President and CEO of eOneNet.com, in her lively delivery provided many practical tips for maximizing business advantages on the Internet. These presentations gave the participants an insight into the potential of Internet-based businesses: the opportunities, market size, and growth possibilities. To cite an example, PChome.com, currently selling 26,000 items on its Web site, has an annual sales growth rate of 30%. From a field visit to the Taiwan Farmer & Fishermen United Information Center, the participants learned that e-commerce eliminates the role of the middleman in marketing. The costs saved enable farmers to price their products more competitively, leading to higher sales turnover and better profits.

Some participants commented that their countries have much to do to catch up with the rest, like speeding up infrastructure development and putting in place supportive security and legal provisions. ☺