



ROC gives special anniversary grant to APO

The Republic of China has provided a substantial special grant for supporting the 50th anniversary commemorative activities of the Asian Productivity Organization (APO). The grant will fund the publication of a three-part 50th anniversary book and an international conference in early 2012 in Taipei, where the book will debut with the authors presenting their findings and ideas.


APO Secretary-General Ryuichiro Yamazaki, during a courtesy visit and meeting on 2 June with H.E. Chi-tai (John) Feng, Representative of the Taipei Economic and Cultural Representative Office in Tokyo, expressed the APO's deep appreciation for the meaningful support from the ROC. He also acknowledged the assistance of the China Productivity Center (CPC) and the Taipei Representative Office in Tokyo in facilitating the arrangements for the grant. Representative Feng in turn noted that the ROC government was very happy to provide the special grant to the APO for the the publication and conference. He said that the ROC recognized the importance and effectiveness of the APO and assured the Secretary-General of full support for the APO and its activities. Other officials present at the courtesy meeting were Director of the Economic Division Yu Chi-Zen, Executive Assistant to the Representative of the Economic Division Bruce Chih-Yu Chien, and APO Industry Department Director Setsuko Miyakawa.



CPC President Dr. Pao-Cheng Chang.
Photo courtesy of CPC.

As a founding member of the APO, the ROC and CPC have consistently encouraged local industry, the public sector, and academia to work closely with the APO in the promotion of innovation. The CPC has introduced a range of activities to stimulate international exchange and cooperation. Stated CPC President Pao-cheng Chang, "The special grant to the APO is part of the ROC's continuing commitment to contribute to Asian economic prosperity efforts. We hope to have more opportunities to participate in cooperative ventures through the APO."

The details of the project, which will be jointly undertaken by the APO Secretariat and CPC through March 2012, are being finalized. A project notification was issued inviting NPOs to nominate experts/writers who will attend the first coordination meeting 6–8 September. The yet-untitled special anniversary publication will take a holistic look at the relationship between productivity and socioeconomic development. In the last 50 years the APO and its network of NPOs have jointly promoted the productivity movement in the Asia-Pacific region and, in the last two decades, have incorporated the principles of environmental conservation and quality management to carve a unique niche in the advocacy for productivity. The ROC grant provides an opportunity to document the achievements of the APO and its continuing future role in the development of its members.

The planned book will have three parts to be written by various international experts: Part 1 will chronicle the 50 years (1961–2011) of the productivity movement in the Asia-Pacific region from a macroeconomic performance perspective; Part 2 will cover specific themes that the APO has focused on or started to work on, including Green Productivity and economic development, demographics and productivity in aging societies, SME competitiveness in a globalized economy, climate change and agricultural productivity, and public-sector productivity; and Part 3 will feature predictions and insights of various authors on what will shape the future of the Asia-Pacific region through unleashing new sources of productivity in the next 20 years. 

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Total productive maintenance for SMEs

Total productive maintenance (TPM) is not a course for machine maintenance but essentially a program of activities for eliminating the constraints that reduce the production efficiencies of individual machines throughout production systems. It is based on: 1) highlighting losses by comparing the current situation with the ideal as determined from operating principles and parameters; 2) Promoting kaizen (continuous improvement) with the aim of eliminating losses identified; and 3) establishing systems and implementing training to enable the above activities to be carried out by individuals and on an organizational basis.

For this to be done efficiently, TPM has been formalized in a number of step-by-step development programs, such as the seven steps of autonomous

maintenance and seven pillars of TPM, and is recognized as an effective method for rapidly translating activity into bottom-line results. The Figure summarizes the different kinds of losses that are identified and eliminated through TPM.

Need for TPM

During critical periods in the business environment and times of energy crisis, the cost of business operations increases, especially production costs. The rise in costs is compounded as the market environment becomes more complex. Therefore, companies must look for ways to improve their operational and cost efficiency to sustain their competitiveness. TPM is one management tool that could help enterprises survive in a harsh business environment as it allows them to reduce costs dramatically by maximizing efficiency,

eliminate the 16 big losses, establish and maintain zero-defect conditions, minimize changeover times, undertake stockless production, and develop a demand-responsive, flexible production system.

TPM applications in SMEs

The purpose of TPM is to improve company performance by enhancing the operational efficiencies of people and equipment. Equipment operators are the first targets, because they are the ones who could make mistakes in operations which may then cause product defects and make machines fail. Autonomous maintenance is a program for developing equipment operators into highly competent individuals who know their machines well; keep them clean; lubricate, tighten, check, and otherwise maintain them; and make improvements

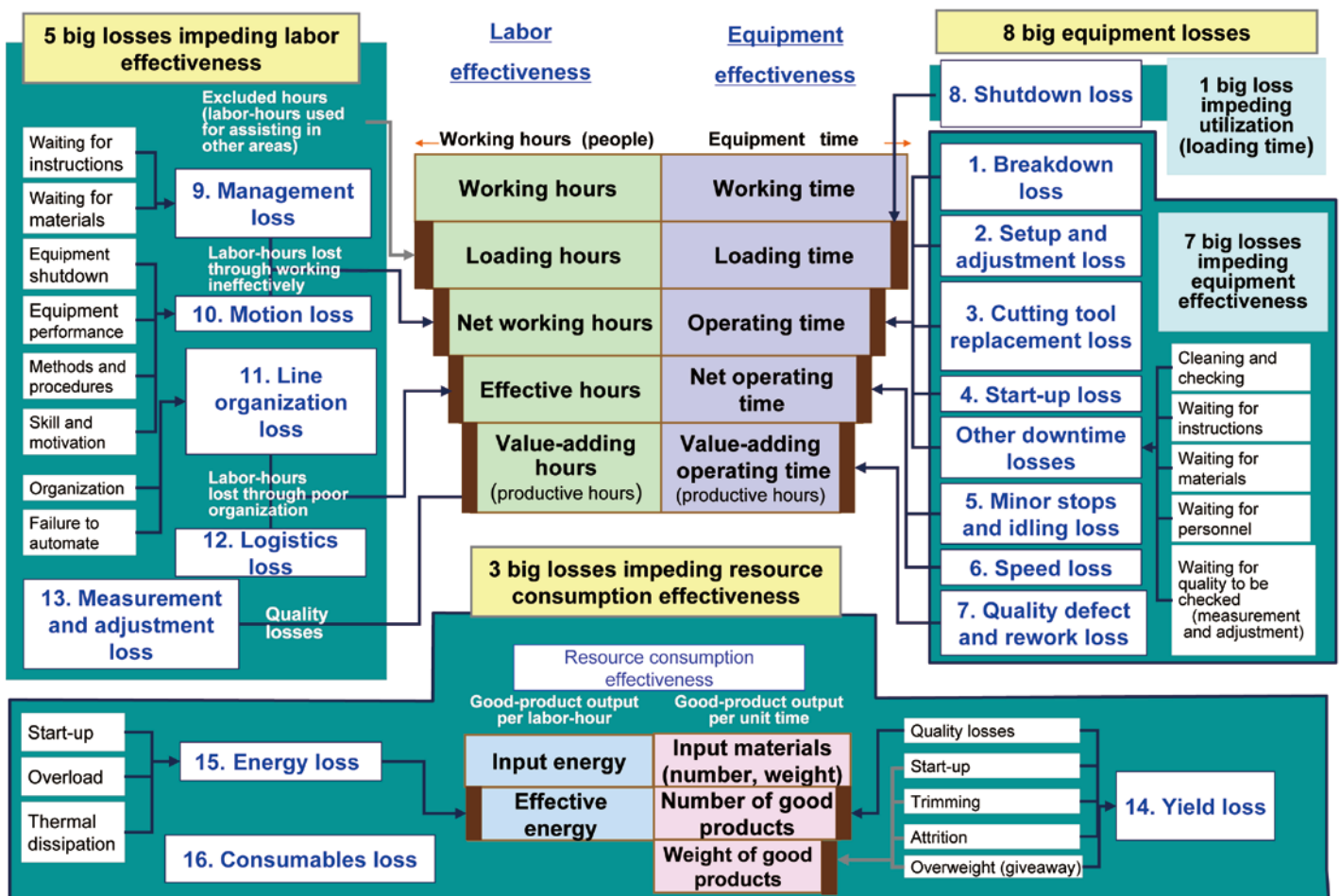


Figure. How losses inherent in production systems (the 16 big losses) occur.

to eliminate losses. The program begins with the 2S of sort and set in order, and it is then developed through a seven-step procedure. The seven steps of autonomous maintenance are: 1) initial cleaning; 2) tackling contamination sources and hard-to-access areas; 3) formulating provisional autonomous maintenance standards; 4) general inspection; 5) autonomous checking; 6) standardization; and 7) full self-management. To complete the TPM program, the other guiding principles (pillars) must be implemented in parallel, such as focus improvement, planned maintenance, education and training, etc. TPM activities need a strong commitment from top management to succeed.

To begin applying TPM concepts, the entire workforce must first be convinced that upper-level management is committed to the program. The first step in this effort is either to hire or appoint a TPM coordinator. It is the responsibility of the coordinator to sell the TPM concepts to the workforce through an education program. To do a thorough job of educating and convincing the workforce that TPM is just not another “program of the month” will take time, perhaps a year or more. Once the coordinator believes that the workers are sold on the TPM program and that they understand it and its implications, the first study and action teams are formed. These teams are usually made up of people who have a direct impact on the problems being addressed. Operators, maintenance

personnel, shift supervisors, schedulers, and upper management might all be included on a team. Each person becomes a stakeholder in the process and is encouraged to do his or her best to contribute to the success of the team effort. Usually, the TPM coordinator heads the teams until others become familiar with the process and natural team leaders emerge.

What TPM is not

TPM is not a maintenance program; it is an operations improvement process. In recognition of this, some organizations call it “total process reliability.” It is definitely not a program or an event; it is a process or philosophy. It is not a means to reduce head count; there is plenty of work to be done. It is not a quick fix, because it takes some years to achieve the targets. But the results begin immediately. ⚙️



Songkran Suebvisai is currently a consultant and Chairman of the Thai TPM Association. He completed a Bachelor's degree in Mechanical Engineering and a Master's in Business Administration. He has held various engineering and management positions in the Thai industry and service sector.

Energy efficiency for SMEs

The APO has been promoting Green Productivity (GP) since 1994, emphasizing three priorities for achieving inclusive, sustainable growth among its members: 1) promoting energy efficiency and cleaner energy; 2) maximizing access to greener products, technologies, and services; and 3) promoting sector reform, capacity building, and improved governance. In line with these priorities, the Korea Productivity Center (KPC) and APO conducted a training course on Energy Efficiency for SMEs in Seoul, Republic of Korea, 17–20 May 2011, with 17 participants. The course improved participants' understanding of the latest energy efficiency and conservation tools and techniques in the region and provided a venue for devising recommendations and action plans tailored for individual countries. The training course also



Participants working on action plans. Photo APO/H.K.

showcased the ROK's latest energy efficiency technologies as well as best practice operations.

“Promoting energy efficiency and conservation is one of the quickest, most effective steps toward achieving sustainable development,” said two experts from the Energy Conservation Center, Japan, Kazuhiko Yoshida and Tsutomu Okamoto. Yoshida stressed, considering the limitations of natural and fossil fuel resources, that growth should be supported by numerous energy efficiency measures and techniques that could easily be adopted, without major investments, by improving daily behavior and energy consciousness. Okamoto introduced a number of energy efficiency and conservation practices utilized by small-scale organizations in Japan, which could easily be put in place by participants.

The participants also had opportunities to learn from Korean experts Jennifer Kim of the Korea Energy Management Corporation, Dr. Seung-Eon Lee of the Korea Institute of Construction Technologies, and Dr. Sanghak Lee of the Korea Electronics Technology Institute, who spoke on their efforts and achievements in managing energy-related policies and operations. In addition, Malaysian expert Maznah Abdul Majid shared Malaysia's experiences and presented case studies.

The participants quickly established good working relationships and exchanged information and ideas on energy efficiency developments and issues in the region. At the end of the training course, one participant summarized its essence: Asia's long-term competitiveness will depend heavily on the intensity of its resource use, and thus managing energy efficiency and conservation will be a key to maintaining its impressive growth momentum as well as making the future sustainable. *Contributed by H.K./APO Industry Department.* ⚙️



Productivity methodologies, tools, and techniques

Material flow cost accounting and its relevance to SMEs—Yoshikuni Furukawa and Hiroshi Tachikawa

Focusing on nonproducts (waste) from the manufacturing process, material flow cost accounting (MFCA) can help organizations boost their economic performance and productivity as well as environmental management. In this article, the basic concept and application of MFCA to SMEs are explained.

Background

Environmental topics, such as climate change and environmental regulations, are in the headlines more than ever, indicating that environmental awareness is gaining momentum along with economic business performance. In response to this social trend, businesses are being placed under increasing pressure to achieve higher productivity with less environmental impact. MFCA helps organizations to meet such needs. Through MFCA, organizations can identify waste volume and their flows within production processes, in both monetary and physical terms. Such information acts as a strong motivator for organizations to enhance productivity and reduce waste for their overall benefit. More than 300 Japanese examples and examples in Malaysia prove that MFCA is a simple but powerful approach for further cost reductions and less environmental impact.

The concept of MFCA was originally developed in Germany and introduced in Japan around 2000. Since the Japanese Ministry of Economy, Trade and Industry has strongly supported the dissemination of this tool, many Japanese companies have introduced MFCA. MFCA has also attracted attention from other countries; currently MFCA projects in Malaysia are ongoing in five enterprises. In addition, MFCA is now undergoing the ISO standardization process. The MFCA standard (ISO14051) will be published this year.

Concept of MFCA

MFCA traces all input materials that flow throughout production processes and measures finished products and emission (waste) in physical units via the following equation:

$$\text{Input} = \text{Finished products} + \text{Nonproducts (waste)}$$

As an example, assuming that 100 kg of materials are used as input in a production process resulting in 70 kg of finished product, then the nonproducts (waste) are 30kg. With this in mind, the equivalent cost evaluation of the finished product and nonproducts (waste) is made. In MFCA, finished products and emissions (waste) are called products and material losses, respectively. In other words, the essential point of MFCA is to recognize material losses as nonmarketable (second) products. This indicates that costs for both products and material losses are calculated in an equivalent manner; the production process manufactures both products and material losses. The concept is illustrated in the Figure.

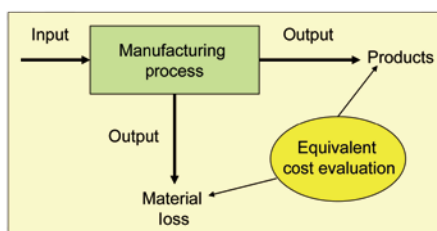


Figure. Concept of MFCA.

Difference between MFCA and other production management activities

The MFCA calculation differs from other production management activities. Even if material loss is visible onsite, the cost of material loss is usually overlooked. However, in MFCA, material losses are considered to be another product. Therefore, equivalent cost calculation is performed for material losses. This information provides a strong incentive to company management to minimize material losses, leading to cost reductions (higher profits).

MFCA application

MFCA can provide dual benefits, both internal and external. A typical example of internal benefits is higher corporate competitiveness through identification of material losses and implementation of quality control activities. An example of Nitto Denko, a major Japanese manufacturer and material and subparts supplier, is shown in Table 1. This provides a good example of how MFCA enabled the company to improve productivity.

Table 1. Improvement of material productivity through MFCA by Nitto Denko.

	2001	2004	2011 (target)
Products (%)	68	78	90
Material losses (%)	32	22	10
Total (%)	100	100	100

MFCA also brings external benefits for the environment. MFCA enables organizations to produce the same amount of finished products with fewer inputs, meaning that organizations can reduce environmental impacts such as material volume for production and energy use (resulting in lower CO₂ emissions). Table 2 shows an example from a Japanese SME (a supplier of automotive, commercial cooling, and heating products).

Table 2. Implementation of MFA in an SME

	Current	Target	Reduced volume	Rate of reduction
Input materials (tons)	119	109	10	-8%
Product (tons)	75	78	—	—
Material loss (tons)	41	31	10	-24%
CO ₂ emissions (tons)	1,234	1,151	83	-7%

By applying MFCA to its manufacturing process, the SME found an opportunity to reduce the volume of input materials and CO₂ emissions. Simultaneously, as mentioned above, MFCA revealed quality-related issues including avoidable and abnormal losses. As an example, those losses identified by MFCA included losses related to poor workmanship, spoilage, and defective units. MFCA helps an organization to identify and take countermeasures against those issues.

Conclusions

MFCA can bring both internal and external benefits, which means that organizations can make higher profit with less environmental impact. The balancing of the environment and the economy within organizational management is a vital issue to enterprises seeking to achieve sustainable development. MFCA is applicable to any organization, regardless of type, size, activity, and location.

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Standards and certification systems for organic agrifood products

Driven by increasing demand from health- and fitness-conscious consumers who are also concerned with the impact of production processes on the environment and food safety and quality, organic production and trade are soaring worldwide, not only in the markets of the USA and EU but also in Japan. To take advantage of this growing export market, there is a need to have credible systems of organic standards and organic certification because only products produced, inspected, and certified in accordance with the prescribed regulations and standards can be traded and labeled as organic at premium prices. There is also a need to develop a critical mass of inspectors of organic products to facilitate the certification of production processes.

The status of organic standards and certification systems in many developing Asian countries could be improved. In the absence of harmonized organic standards, organic product labeling and certification are not totally reliable. The APO considers the development and promotion of sustainable production systems such as organic farming very important and has organized a number of projects on the subject. Based on some of those projects, in 2010 the APO published an e-book titled *Organic Agriculture and Agribusiness: Innovation and Fundamentals*.

To share good practices of organic standard setting, inspection, and certification processes, the APO and National Productivity Council of India jointly organized a workshop on Development of Standard and Certification Systems for Organic Agricultural Products, 16–20 May 2011, in New Delhi, India. Twenty participants and four resource persons attended the workshop, which consisted of lead presentations by the experts, country presentations by participants, field visits, and group discussions.

German expert Gerald Herrmann highlighted global trends in organic farming including organic production and international trade and reviewed the standards and accreditation program of the International Federation of Organic Agriculture Movements. Prof. Shih-Shiung Chan from the Republic of China spoke

on the status of organic standards and certification systems in East/Southeast Asia, and inspection and certification processes of organic agrifood products. Indian experts Rajshekhar Reddy Seelam presented the organic sector in India, and Dr. A.K. Yadav spoke on organic inspection and certification systems, the participatory guarantee system, and processing, handling, packaging, and labeling of organic food products.



Participants discussing issues in regional trade in organic products and action plans to address them. Photo courtesy of NPC.

To glimpse good practices in organic farming in India, the participants visited an organic farm in Beheta village, Uttar Pradesh. In group discussions, participants identified the issues in enhancing support for the development of organic farming, processing and manufacturing; promoting/marketing organic products; and facilitating regional trade in organic products; and formulated action plans to address them. Contributed by M. Saeed/APO Agriculture Department. 🌱

Total productive maintenance applications in SMEs

Total productive maintenance (TPM) combines the practice of preventive maintenance with the concepts of total quality management and total employee involvement for optimizing the use of machines and related manpower resources. It leads to management systems for equipment maintenance which optimize effectiveness, eliminate breakdowns, and promote autonomous operator maintenance through day-to-day activities. TPM has been recognized as an essential part of world-class manufacturing, especially machine-based manufacturing. This can help enterprises to

achieve a competitive advantage in global markets in terms of cost, quality, and delivery.

The National Productivity Organization (NPO) of Bangladesh, in cooperation with the APO, organized a training course on TPM Applications in SMEs, 16–20 May 2011, in Dhaka for 19 practitioners, SME CEOs, and managers from 14 member economies. The course aimed to equip participants with in-depth practical knowledge of TPM applications so that they could promote and utilize them in SMEs in their countries. The event was formally opened by Secretary K.H. Masud Siddiqui, Bangladesh Ministry of Industries, and graced by chief guest Minister of Industries Dilip Barua.

The course was designed following the TPM structure initiated by the Japan Institute of Plant Maintenance. Topics covered included basic principles in measuring overall equipment, the pillars of TPM structure, and steps in TPM implementation. Resource persons in the five-day training course were Japan Management Consultant Kazuteru Chinone, National Productivity Council Deputy Director General Dr. S.K. Chakravorty, Chairman of the Thai TPM Association Songkran Suebvisai, and Prof. M. Ahsan Akhtar Hasin of the Industrial and Production Engineering Department of Bangladesh University of Engineering and Technology.

A site visit on 18 May to Rahimafrooz Batteries Ltd., a company established in 1954 that has been certified in ISO9000, ISO14001, and OHSAS 18001 and has a quality management system, environment management system, and safety management system in place, gave the participants firsthand exposure to initiatives for TPM application. Contributed by A. Kritchai/APO Industry Department. 🌱



L–R: NPO Joint Director Abdul Baqui Chowdhury; Secretary, Ministry of Industries Siddiqui; Minister Barua; NPO Director Dr. Md. Nazrul Islam; and APO Program Officer Kritchai Anakamane. Photo courtesy of NPO Bangladesh.

Developing more trainers on ecotourism

Ecotourism has become a buzzword, not only in the leisure and travel industry, but also among policymakers and development planners in many countries. This was the general observation of participants in the APO training course for Trainers on Planning and Management of Ecotourism held in Subic Bay, the Philippines, 15–24 June 2011, attended by 23 participants from 13 countries and three international experts from the Netherlands, Japan, and Thailand.



Training participants visited the Pawikan Conservation Center in Morong Bataan, a community-based conservation initiative to protect and propagate green turtles, which is attracting an increasing number of tourists. Photo APO/J. Bernardo.

During the course, participants focused on clarifying the concept of “ecotourism,” various principles involved, and tools for planning and management of a sustainable, inclusive ecotourism program. The essential principles of ecotourism are: 1) preservation of natural resources and biodiversity; 2) generation of resources for financing conservation efforts; 3) contribution to the local economy; 4) promotion of partnerships and welfare in the community; and 5) education of visitors and the local community. Case studies and country-specific experiences in Asia, Africa, and Latin America demonstrated how the benefits of ecotourism can lead to the improved welfare of local communities, preservation of biodiversity, and sustainable operations of SMEs with business activities linked to ecotourism. It was noted that SMEs are involved in both upstream and downstream ecotourism activities, such as those providing transportation, food, accommodation, and souvenir items to tourists. Both inbound and outbound tour operators are often SMEs. The profits from all these enterprises ultimately contribute to increased tax revenues for the state.

Dr. Mina Gabor, former Philippine Tourism Secretary and President of the International School of Sustainable Tourism in Subic Bay, who assisted the APO in the training course, succinctly explained that, “Ecotourism, when properly planned and implemented, is a win-win situation for all stakeholders. It becomes a very good model for sustainable, inclusive development, especially for developing countries in Asia.” Contributed by J.C. Bernardo/APO Agriculture Department. 🌱



Lean Six Sigma demonstration project in Vietnam

The purpose of an APO demonstration company is to convey success stories on the development and implementation of productivity improvement initiatives. A demonstration company epitomizes an enterprisewide productivity movement and becomes a role model for others.

In response to the NPO Need Assessment Survey conducted in 2007, the Vietnam Productivity Centre (VPC) identified the need for capacity building for Lean Six Sigma (LSS). The LSS concept is relatively new in Vietnam. Due to the low level of awareness, enterprises in Vietnam lack the strategies and tools needed to enhance their quality and productivity. The APO and VPC jointly implemented a one and one-half-year demonstration project launched on 26 January 2010 in the Vietnam Technological and Commercial Joint-Stock Bank (Techcom Bank) of Hanoi. The project kicked off with a workshop. Through the project, the VPC was able to promote the application of LSS among more Vietnamese organizations, which will eventually help them to increase their efficiency and gain a competitive advantage.

The APO, in consultation with the VPC, assigned LSS expert Kabir Ahmad Mohd. Jamil from the Malaysian Productivity Corporation. Jamil made six visits during a one-year period and helped to build the capacity of the VPC and Techcom Bank in applying LSS. First, he guided the VPC and Techcom Bank team in understanding the LSS concept, methodology, and applications in the service sector; second, he helped them identify processes

in Techcom Bank suitable for LSS to achieve improvements through the DMAIC approach of define → measure → analyze → improve → control.

The project successfully demonstrated the application of LSS and produced the following immediate improvements:

- A reduction of three steps in the ATM money feed procedure and increase in ATM uptime from 95% to 97%, saving VND111,286,666 per year and increasing in customer satisfaction with ATM use;



MPC Expert Jamil discussing applications of LSS in back operations with Tech-Com Bank staff. Photo courtesy of VPC.

(Continued on page 7)

Lean Six Sigma demonstration project in Vietnam

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- Average time of reconciliation reduced from 12 to 8 minutes, reduction in number of mismatches by 47%, and time to find mismatches reduced from 18 to 5 days, saving the bank money;
- Reduced seven process steps and four approval signatures in the process of import of LC issuance, upgraded sigma level from 1.6 to 2.5, and saved 20% processing time for customers; and
- Reduced one step and one approval signature in the LC export process, upgraded sigma level from 2.0 to 2.7, and saved 25% processing time for customers.

After achieving measurable, demonstrable results, the project was completed by organizing a national dissemination seminar on 30 March 2011, which was attended by more than 100 participants. The LSS journey has begun in Techcom Bank and in Vietnam. Now, many service-sector organizations are looking forward to applying it for higher productivity benefits. The VPC has a crucial role in promoting LSS based on the success story created through the demonstration project.

Contributed by K.D. Bhardwaj/APO Industry Department and Nguyen Thi Kim Dung/VPC. 

APO/NPO Update

Japan

New NPO Head

Name: Mr. Masayoshi Matsukawa

Designation: President, Japan Productivity Center

Effective date: 8 June 2011

Republic of Korea

New APO Alternate Director

Name: Dr. Jun Dong Kim

Designation: Director General for Industries & Knowledge Economy, Ministry of Knowledge Economy

Effective date: 15 June 2011

Mongolia

New address and phone number of Mongolian Productivity Organization

Address: Bayangol District, 17th Khoroo, Amarsanaa Road, White Horse Center, 2nd Floor, Ulaanbaatar

Phone/fax number: (976) 7733-5555

Effective date: 10 June 2011

Pakistan

New APO Director

Name: Mr. Aziz Ahmad Bilour

Designation: Secretary, Ministry of Industries and Production

Effective date: 2 May 2011

APO Secretariat

Promotion to Senior Program Officer

Name: Mr. K.D. Bhardwaj

Designation: Senior Program Officer of Industry Department

Effective date: 1 July 2011

SME development initiatives of NPOs

NPOs are currently undertaking or planning to implement various programs and projects to support the development of SMEs in their countries. Following is a sampling of these initiatives:

National Productivity Center, Cambodia

- 6–8 September 2011, Workshop on 5S and Kaizen (Practical Factory Implementation)
- June 2011–September 2012, Modern Food Safety Management Systems (HACCP, ISO22000)
- July 2011–December 2011, Improve Capacity for Rice-processing SMEs
- November 2011, Workshop on Knowledge Management
- November 2011, Productivity Awareness for Top and Middle Managers of SMEs

National Productivity Council, India

- July 2007–March 2012, Waste Minimization in Small-scale Industries (Waste Minimization Circle Project: Phase III)
- From July 2009, Competitiveness in Lean Manufacturing
- 2010–2011, Study on the Effects of Recent Recessions and Liberalization of the Indian Economy on the Workforce Engaged in Small, Cottage, and Handicrafts Work

Japan Productivity Center, Japan

- From 2009, Program for Improving Effectiveness of Management

Malaysia Productivity Corporation

- Enterprise Innovation Intervention Programme: Knowledge Content Development Programme

SPRING Singapore

- Productivity@Work Portal for SMEs (<http://productivity.business.gov.sg>)
- Online IMPACT Assessment (<http://apps.business.gov.sg/impact>)


National Productivity Secretariat, Sri Lanka

- March 2010–December 2011, 20-Kaizen Entrepreneur Development through Productivity
- May 2011–May 2013, 1000 Micro SMEs Development Programme in 14 districts

Productivity methodologies (Continued from page 4)

In summary, MFCA can lead to:

- Increased production efficiency through capital investment, based on the appropriate, accurate evaluation of investment projects;
- Cost reductions through changes in product design and raw material use based on precise evaluation of manufacturing cost; and
- Specific targets for onsite improvement activities (e.g., total quality control, ISO compliance), thereby revitalizing such activities.

In addition, MFCA implementation does not always require advanced computer-based information systems as an information base. Especially in organizations such as SMEs, simple spreadsheet calculations are sufficient for MFCA utilization. 



Yoshikuni Furukawa is the General Manager for Sustainable Management at Nitto Denko Corporation and a leading expert in environmental management and corporate sustainability. He is the Secretary of ISO/TC207 Working Group 8 (MFCA) and a member of the Japanese Industrial Standards Committee.



Hiroshi Tachikawa is Managing Director of Propharm Japan Co., Ltd. He is the Assistant Secretary of the ISO/TC207 Working Group 8 (MFCA) and a member of the Japanese Industrial Standards Committee.



Improving public service delivery through the PQA

The Philippine Quality Award (PQA) Road Show for the Public Sector was conducted 5 May 2011 with 185 participants attending the event at the Diamond Hotel in Manila. Officials of national line agencies, government financial institutions, state universities and colleges, local government units, and public hospitals learned how they could implement the performance excellence framework for citizen-focused public service delivery.



L-R: PCARRD's Richard M. Juanillo receiving a token of appreciation from DTI Executive Director Virgilio P. Fulgencio, the DAP's Mendoza, and Abanto. Photo courtesy of DAP.

President Antonio D. Kalaw, Jr. of the Development Academy of the Philippines (DAP) said in his welcome address that the bottom line for the public sector is not revenue but service delivery and that the role of the sector is to create a conducive environment for investments. "Sadly, the Philippines is lagging in the global competitiveness ranking," noted DAP Vice President Arnel D. Abanto in his overview presentation. "Using quality management tools such as the PQA can help in moving up the ladder toward a citizen-centered government service." DAP Senior Vice President for Programs Magdalena L. Mendoza added that the Philippines could

consider countries like Canada, New Zealand, and the Republic of Korea as models in providing efficient government service. She said, "Pursuing productivity and innovation in public service eliminates corruption, allows greater decentralization, and leads to programs that are more responsive and effective. This gives taxpayers value for their contributions."

2009 and 2010 PQA recipients, the Philippine Council for Agriculture, Forestry and Natural Resources Research and Development (PCARRD) and Mariwasa Siam Ceramics Inc., a leader in eco-friendly ceramic tiles, shared their best practices and experiences in their quest for quality improvement. PCARRD applied for the PQA to examine its strengths and weaknesses objectively and adopt programs and strategies that address the opportunities for improvement. According to PCARRD, its current quality system enables superior performance comparable with world-class standards. Mariwasa, on the other hand, conducts business while balancing the corporation's "triple bottom line" of the economy, society, and environment.

The PQA is the highest level of national recognition in the country for exemplary organizational performance. Established in 1997 through a presidential executive order, it now serves as the country's template for the global competitiveness of private and public corporations. The Road Show for the Public Sector is a joint project of the DAP and the Department of Trade and Industry. *Contributed by Marge L. Medina, DAP.*

Photo news



APO Regional Awardee 2011 Rachmat Gobel (center) paying a courtesy visit at the Secretariat on 16 June 2011 with Matsushita Gobel Foundation Chairman Jusman Syafii Djamal (L). APO Secretary-General Ryuichiro Yamazaki (R) welcomed them. Photo APO/A. Donaire



APO Director for Mongolia Yamaaranz Erkhembayar (3rd from L) presenting a token to APO Secretary-General Ryuichiro Yamazaki while visiting the Secretariat with National Development and Innovation Committee Vice Chairman Luvsandash Zorig (2nd from L) and D. Dulguun (L) on 30 June 2011. Also in photo are APO Industry Department Program Officer M. Idham (R) and APO Administration & Finance Department Director S. Loo (2nd from R). Photo APO/A. Donaire

