PROJECT NOTIFICATION

Ref. No.:21-CP-15-GE-TRC-B-PN2100034-001

Date of Issue	03 June 2021
Project Code	21-CP-15-GE-TRC-B
Title	Training Course on Productivity Measurement for Service-sector Organizations
Timing and Duration	21–23 July 2021 (three days)
Hosting Country(ies)	Indonesia
Modality	Digital Multicountry
Implementing Organization(s)	Directorate for Productivity Development, Directorate General for Vocational Training and Productivity Development, Ministry of Manpower Republic of Indonesia, and APO Secretariat
Participating Country(ies)	All Member Countries
Overseas Participants	19
Local Participants	12
Qualifications of Participants	Policymakers, government officials, and representatives of government organizations and service-sector enterprises (e.g., hospitality, food and beverage, etc.) working on improving productivity measurement in the service industry
Nomination of Participants	All nominations must be submitted through National Productivity Organizations of member countries
Closing Date for Nominations	2 July 2021

1. Objectives

a. Train participants in productivity concepts and measurements in service-sector organizations within the context of digitalization and artificial intelligence (AI).

b. Equip participants with productivity measurement tools and frameworks that promote service quality and innovation.

2. Background

The service industry on average employs over 80% of the workforce and contributes to over 70% of the annual GDP of developed economies including the USA, UK, and Japan. It is also a critical economic sector in developing economies. However, the average labor productivity is approximately 40% lower in services than in manufacturing across OECD countries. Services are very diverse, as they tend to be less standardized than goods and often involve more face-to-face interactions in their delivery. All these factors make productivity measurement more difficult in the service sector.

Unique to service-sector organizations, a purely quantitative method of measuring productivity is not practical. The quality dimension of service is difficult to define. In the case of manufacturing, the quality dimension is usually in conformity with product specifications and actual product performance. There is, however, the "human touch" aspect to service quality, which includes a combination of tangibles as well as intangibles. In services, customer satisfaction focuses on quality outcomes rather than number of transactions, because the service industry provides experiences rather than products. A customer service representative's patience, professionalism, and friendliness matter as much as the number of calls taken per hour. On the other hand, employee engagement, while not a guarantee of satisfaction, provides a quantifiable gauge of service productivity. For example, a service employee with specific business development targets should deliver high levels of service to potential clients as a measure of productivity. The degree to which that goal is met may correlate with productivity.

In recent years, digitalization, AI, and emerging technologies are also promoting a paradigm shift in services and how service-sector organizations improve productivity through new technologies, including smarter and more integrated workflow tools, AI and machine learning, and augmented reality. There is therefore a need to understand how service-sector organizations can harness productivity potential and address related challenges from ongoing technological advances such as robotics, AI, and service automation (RAISA).

This course will therefore train participants in the principles and processes of service productivity and its measurement as well as equip them with the latest measurement tools applicable to service-sector organizations across APO member countries.

3. Scope, Methodology, and Certificate of Attendance

The duration of each day's sessions will be around three hours comprising presentations by experts, group discussions, and other relevant learning methods. The indicative topics of the presentations are:

Day 1: Understanding Service-Sector Productivity
- Productivity concepts and principles for service-sector organizations
- Introduction to factors of production and output in the service sector
- Introduction to service-sector productivity and quality measurement tools
- Industry focus: Hospitality industry

Day 2: Measuring Service-sector Productivity
- Introduction to measurement of service-sector productivity: Challenges and problems
- Service-sector productivity and quality measurement tools
- Service process and service performance improvement
- Industry focus: Food and beverage industry

Day 3: Paradigm Shifts in Measuring Service-sector Productivity
- Paradigm shifts in service-sector productivity measurement with RAISA: Harnessing productivity potential and addressing challenges

- Continuous improvement in service-sector productivity
- Summary of productivity concepts, tools, and measurements

The detailed program and list of speakers will be provided two weeks prior to the sessions with announcement of the names of the selected participants.

The participants are required to attend all sessions. This full participation is a prerequisite for receiving the APO certificate of attendance.

4. Financial Arrangements

a. The APO will meet the assignment costs for overseas resource persons and honorarium for up to two local resource persons.

b. The host country will meet the costs for a virtual site visit(s), either broadcast live or recorded as applicable.

5. Implementation Procedures

Please refer to the implementation procedures for APO digital multicountry projects circulated with this document.

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Secretary-General