PROJECT NOTIFICATION

18 September 2012

1. Project Code: 12-RP-25-GE-RES-B

2. Title: Research on Benchmarking for SMEs in the Service Sector (Retail and Food Subsectors)

3. Duration & Timing: October 2012–September 2013 (one year)

4. Venue: Participating member countries

5. Number of Participating Countries: Six targeted member countries: the Republic of China, Japan, Republic of Korea, Malaysia, Singapore, and Thailand


7. Objectives:
   1) To develop a database on the productivity performance of SMEs in the retail and food subsectors in selected APO member economies for benchmarking performance and best practices; and
   2) To publish a research report containing cross-country analysis of productivity performance and best practices of SMEs in the retail and food subsectors.

8. Background:
SMEs in the service sector continue to play an increasingly important role in Asian economies in terms of contributions to GDP and employment. Hence, they are the core engine for productivity and economic growth. The APO recognizes the importance of monitoring the progress of SME performance in the service sector in the region and sharing the best practices of high-performing businesses in member economies.

Benchmarking is a continuous process of self-assessment and initiating actions to close gaps, surpass the best performers, and retain a competitive edge. To pursue continuous improvement, it is essential that SMEs not only have a relevant basis for comparison but also learn from the achievements and results obtained from the benchmarking exercise. For this, SMEs need access to useful reference data and information to compare their performance with that of others in efforts to achieve higher productivity.
Prior to this research project, a study meeting on the subject was held in July 2012, where a set of comparable indicators was identified. The methodology for collecting data, information, and best practices cases was also agreed upon.

9. Scope and Methodology:

Scope:

1) **Coordination meeting:** The study meeting on the same subject held in July 2012 served as the coordination meeting for this project.

2) **Collection of data:** The data to be collected are on value added (VA), VA-to-sales ratio, labor cost competitiveness, working capital ratio, profit margins, and others.

Methodology:

1) Primary data collection through the use of questionnaires and secondary information gathering by national experts under the close supervision, and directions of the chief expert via e-mail communications and other online means; and

2) Compilation and processing of data and information and quantitative and qualitative analyses, followed by generation of a research publication/report by the chief expert.

10. Qualifications of National Experts:

To ensure continuity and maximize efficient knowledge accumulation for the research, this project intends to appoint the participants from the NPOs of target countries who attended the previous study meeting. The Secretariat requests the NPOs concerned to nominate the same persons for this research project.

Target member economies that did not send any participants to the previous study meeting are requested to nominate national experts in line with the required qualifications indicated below.

(a) **Age:** Preferably between 30 and 45 years.

(b) **Education:** University degree or above in economics, econometrics, or business management.

(c) **Present Position:**

1) Managers or officers from SME agencies and business associations directly involved in monitoring the performance of SMEs (retail and food services);

2) Managers of private enterprises (retail and food services) involved in benchmarking activities in their organizations; or

3) NPO managers/consultants engaged in benchmarking activities and familiar with productivity statistics and measurement for the retail and food service sectors.

(d) **Experience:** At least five to 10 years of relevant work experience in the subject areas. Those with knowledge of and direct experience in retail and food service enterprises are preferred.

(e) **Language Proficiency:** Proficiency in written and spoken English is essential.

(f) **Health:** Physically and mentally fit to commit him/herself to a one-year period of research.
(g) Other: The ability to handle quantitative statistics and business data is an asset.

11. Chief Expert:
Mr. George Wong will be assigned as the chief expert for the research project, as he also served as the resource person for the study meeting in July 2012 which prepared the methodology and identified the set of key indicators for this research.

12. Financial Arrangements:
a) To be borne by the APO
   1) Honoraria for the chief expert and national experts upon completion of the research; and
   2) Pertinent costs for a coordination meeting among the chief expert, the Secretariat and SPRING if necessary.

b) To be borne by the host country of the coordination meeting (in Singapore)
   Other local implementation costs for the meeting if required.

13. Actions by Member Countries:
   - Member countries included in the research are requested to submit appropriate nominations by 28 September 2012, in line with the provisions in section 10.
   - Each nomination should be accompanied by the candidate’s biodata on the standard APO form in duplicate along with a passport-sized photograph. In addition to the standard APO form, nominees should also prepare a list of publications, research, and/or consulting projects they have undertaken in this field. A nomination lacking any of these documents will not be considered.
   - The selection of national experts will be based strictly upon their professional qualifications and experience, academic background, and commitment to this research.

14. Work by National Experts:
The detailed guidelines for the assignments will be provided by the chief expert.

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Ryuichiro Yamazaki
Secretary-General