

Productivity flows along the Mekong

The Mekong River, the longest in Southeast Asia, supports 300 million people in six countries, including the three APO member countries Vietnam, Lao PDR, and Cambodia. Despite the region's increasingly realized potential as a growth center due to its natural resources and large undeveloped market, continuing support and cooperation are needed to ensure progress. This will reinforce regional integration, leading to self-sustaining SME growth, a major engine for economic growth in the region. However, government policy for SME promotion and self-improvement mechanisms remain weak in those countries.

In order to support the development and improvement of SMEs in the region, the APO organized a seminar in Japan with the collaboration of the Japan Productivity Center for Socio-Economic Development (JPC-SED) under the title "SME Development in the Mekong Region: Learning from Excellent SMEs." With financial support from the JPC-SED, three participants from Myanmar took part along with eight participants from the three Mekong member countries.

According to the JPC-SED, the four participating countries have a similar socio-economic background, development stage, and SME development problems including a shortage of financial resources and training institutions as well as relatively undertrained human resources and a lack of business management skills and technology. The seminar therefore introduced productivity tools for SMEs and the governmental institutions responsible for nurturing SMEs and examined measures for SME self-improvement.

Executive Adviser Keichi Tanaka, Sony Human Capital Corporation, conducted a one-day intensive presentation on "Productivity Improvement Activities for

SMEs" covering productivity tools such as 5S, quality control, just-in-time systems, and kaizen. Two site visits were made to competitive SMEs with a quality-conscious and innovation-driven approach: Hayashi Soji Corporation, which supplies railway signal equipment; and Dowa Forging Co., Ltd., winner of a best SME award in 2006.

Participants also visited the Toyota Motor Corporation and Denso Corporation to observe state-of-the-art manufacturing plants utilizing various productivity tools.

Finally, each participant conducted a self-assessment and evaluation focusing on the main themes. Human Resource and Administration Manager Phat Thomas, Hatthakasekar Limited, Cambodia, listed quality improvement constraints and created a list of possible solutions including staff training and capacity building strategies. Consultant Le Viet Hung, Vietnam Productivity Centre, studied the quality issue from the NPO perspective and listed strategies for implementing 5S, kaizen, and total productivity systems in SMEs in four categories: the human factor, suppliers, culture, and technology. 

