

UNV expert salutes demonstration project

In September 2006 the APO, in collaboration with the National Productivity Secretariat (NPS) of Sri Lanka and UN Volunteers (UNV), embarked upon a Development of Demonstration Companies/Organizations project. The objective was to provide a productivity improvement role model for Sri Lankan SMEs through multiplier effects after the dissemination of the improvement method adopted. The original six-month project duration was extended to nine months, ending in May 2007. This article was contributed by UNV Expert Toshiyuki Yamana, who was deputed by the APO to advise eight model Sri Lankan companies from project inception to completion.

The dissemination seminar on the Development of Demonstration Companies Project, held at the Sri Lanka Foundation Institute in Colombo, 22 May, drew around 150 attendees and dignitaries. Among those attending were Minister of Labor Relations Athauda Seneviratne and Ministry of Manpower Secretary Mahinda Madihahewa, who is also the APO Director for Sri Lanka. APO Secretariat Agriculture Director Song Hyun Choi and Okama E. Brook from the UNDP/UNV were also present along with local guests from the public and private sectors.

While I listened to the presentations describing the successful implementation of the project and progress made by the model companies, I also remembered the launch ceremony held on 23 October 2006. On that occasion, Minister Seneviratne and Secretary Madihahewa provided words of encouragement to the eight companies, six from the private and two from the public sector (Table), selected from a shortlist of 15 candidates, for which the NPS assigned staff members to act as counterpart experts. During the implementation stage, the project participants encountered a number of unexpected incidents. However, all challenges were successfully met and all obstacles overcome. As a result, the model companies achieved a number of productivity improvements.

The productivity improvement activities were undertaken in stages: the organizational diagnosis; report with recommendations; prioritization of issues critical to achieving improvement; formulation of an action plan; site visits for monitoring progress; and additional consultancy to deal with new findings or company requests. Each model organization adhered to its own set of rules, operational philosophy, and corporate culture. They differed in substantial ways including history, size, financial standing, and human resources. The diagnosis stage alone revealed dozens of differences among the organizations in the project. It was therefore necessary to adopt a different approach and propose different solutions in each case. However, one common feature was the high level of entrepreneurship demonstrated by their top managers, since



Yamana (center) examining specifications at Arpitalian

they relished challenges and were not afraid of making changes. I believe that this was a key success factor in this project.

Each model organization made significant achievements in improving productivity. After the conclusion of the project, the NPS produced a DVD and a booklet entitled *Success Stories of Development of Demonstration Companies/Organizations*, highlighting the achievements of the eight model companies. These will be distributed to other NPOs.

The nine months I spent working with the model organizations in Sri Lanka passed very quickly. I am grateful to the three NPS counterpart experts and NPS Director Upali Marasinghe for their full support and contributions to the successful completion of the project. I hope that the success stories of these eight organizations will be widely disseminated, emulated, and multiplied throughout APO member countries. I salute the eight SMEs that bravely struggled to improve their productivity and wish them success in future endeavors. 🌐

Table. Overview of the eight model companies, objective of project participation, and main productivity tools utilized to achieve improvements.

Organization	No. of employees	Business	Objective	Productivity tools used
Araliya International	47	Automobile seat manufacture	Production process layout improvement	5S/good housekeeping
Arpitalian Compact Soles	70	Sheet rubber for shoes	Quality enhancement	Plant layout change
Bopitiya Auto Enterprises	69	Automotive spares	Computerization	5S, IT solutions
Hirdaramani Industries	1,300	Garments	Production line modification	Formation of teams
Jinasena Pumps	60	Water pumps	Employee development	5S, lean manufacturing, safety training
Uni-Dil Packaging	320	Corrugated cartons	Production process layout improvement	PDCA cycle, brainstorming
ITN	700	TV station	Upgrading facilities	Technology investment and staff training
Mahapola Training Institute	116	Marine training programs	Investment in technology	Staff training