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Creating productivity showcases

APO member countries have different needs due to varying levels of development, productivity movement maturity, and economic profiles. The APO therefore conducts individual-country projects such as the Development of Demonstration Companies/Organizations (DMP). Eleven demonstration projects have been organized in enterprises since 2003 to support model companies in selected member countries, in addition to 39 demonstration projects organized under Green Productivity.

"Demonstration projects aim to assist less developed member countries in establishing model projects to improve productivity in factories, companies, or organizations and disseminate benefits to the productivity movement in those countries," explained Director Takuki Murayama of the Industry Department, APO Secretariat, which is in charge of DMP. During the project, participating countries work with technical experts deputed to improve productivity, quality, energy efficiency, and environmental management at demonstration companies. Tools employed include 5S, kaizen, total quality management, ISO9000, knowledge management, and productivity measurement.



PT. SKN President Director Gozali applauded for his TPM implementation plan

"The experts dispatched depend on project type, availability, and commitment exhibited by the demonstration company," said Murayama. During some projects, the expert(s) visits the selected country several times. During others, the APO deputs an individual(s) through the United Nations Volunteer (UNV) Program who stays for six to nine months.

The Sri Lanka demonstration project was undertaken by the APO/UNV expert Toshiyuki Yamana, who remained for a total of nine months spanning a two-year period. Eight model companies received intensive consultancy services from the National Productivity Secretariat (NPS) and Yamana. Improvements were undertaken in stages with Yamana's diagnosis, observation, and corrective instructions. The success stories were chronicled in an NPS-produced DVD and booklet.

However, a Mongolian DMP on service excellence for a local mobile telecom company, Newtel Company (NTC), followed a different format. First the NTC dispatched an observational study mission to study the Service Scorecard for Business Excellence from SPRING Singapore. "The project was a journey toward service excellence, which requires consistent communication, commitment, implementation, review and reassessment, and continuous improvement," explained NTC Customer Service Division Director Nemekhbayer Enkhbayar. Designated expert Eddy Edwards from Singapore, assisted by the National Productivity and Development Center (NPDC), visited Mongolia during each phase to train NTC staff, review the process, and provide guidelines. "NPDC staff were learning with us and assisting with communications with the expert and the APO," commented Enkhbayar, thanking both the NPDC and APO.

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Two DMP projects are ongoing in India and Indonesia. A press conference officially launched the Bhopal, India, DMP project in October 2007. Two APO experts from Singapore arrived in Bhopal one week prior to the launch to conduct a diagnostic study of Adarsh Printers & Publishers (APP), a printer of books, calendars, and diaries which wanted productivity to improve by 10–25% through quality improvement and waste reduction. The experts outlined quick-fix measures to senior managers and the APP project team on their first visit. During a second visit in April 2008, Japanese expert Yasuhiko Iwaoka reviewed the progress of the quick fixes and formed two kaizen teams for management and production. His next visit in June will review each team's progress and determine the next steps.

The Indonesian project is also being conducted by APO/UNV expert Yamana and the Directorate of Productivity, Ministry of Manpower and Transmigration of Indonesia. The February 2008 launch was covered by local media, which emphasized the strong commitment of the Indonesian government and the demonstration company, PT. Sarandi Karya Nugraha (SKN), a manufacturer of medical and health equipment. The project aims to establish a pattern of SME development contributing to the Indonesian economy, especially in terms of employment generation. The project actually started in early January when Yamana arrived to perform company analysis and set three objectives for the SKN project team: introduction of 5S; reduction of rework; and improved marketing.

"I learned about 5S and other productivity tools through self-study and an APO project. However, it was very difficult to apply them in practice. I think I learned much more from using these tools during the DMP," noted PT. SKN President Director Isep Gozali. Although tangible progress has been made, Yamana, who has provided guidance to 21 model companies in four member countries, expressed concern about postproject continuation: "Judging from my experience, companies need continuous guidance for a certain period. It is like 'a marathon without a finish line.'"

To inspire other enterprises, both within and beyond the host country, the APO will organize additional DMP projects in 2008. Twelve proposals from five member countries are being examined. DMP projects are being continuously improved thanks to feedback from model company executives and managers at the workshop on DMP held in December 2007 in Cambodia. "The workshop proved the importance of upper-management commitment and the role of NPOs in sustaining and replicating projects," said Murayama. "Future selections should be made based on these key success factors." The APO has extended maximum DMP durations from nine to 18 months and increased the financial support to NPOs for disseminating DMP results based on suggestions at the workshop. Efforts to produce more productivity models will continue. 