

## Productivity measurement in the service sector

**T**he service sector in APO member countries has been increasing in importance; it is now a key contributor to employment and national GDP. This makes it imperative for this sector to enhance its productivity so that it can play an even greater role in the economic growth and development of these countries. An understanding of the various models and tools available for measuring productivity in the sector will enable its performance to be analyzed and evaluated for identification of areas for further improvement.

Against this background, the APO organized a seminar on “Productivity Measurement in the Service Sector” in Malaysia, 12–16 August 2002. Nineteen participants from 14 APO member countries took part. The seminar was led by a prominent productivity expert from Australia, Dr. M.R. Ramsay. He introduced a new concept of economic productivity and the method for its measurement which is non-dimensional and which could be used in any sector, be it manufacturing or service.

The major topics covered in the seminar were: Productivity framework and paradox in the service sector; Productivity measurement in the service sector of Malaysia: public-sector perspective; Productivity quantification of govern-



*Participants in the seminar*

ment services expenditure; Alternative approaches in productivity measurement in the service sector; Case examples of productivity measurement/performance in Northport (M) Berhad, Malaysian healthcare sector, and the Malaysian financial sector; and Performance measurement: balanced scorecard. Participants visited the Subang Jaya Medical Center for a first-hand study of its productivity measurement program. 📷