

# Productivity strategy for public-sector enterprises

*Public-sector enterprises (PSEs) have an important role in most economies as they enable the controlling of specific economic activities and provide infrastructure and facilities for enhancing the quality of life of the people. However, they are often criticized for lack of productivity, poor quality performance, and low returns on investment, thus incurring huge deficits. The reasons for this sad state of affairs are many, including their protected status that results in a lack of concern for customer satisfaction; sluggish response to the changing business environment; relatively safe and stable employment; bureaucratic management style; and unclear vision and mission. One solution was to privatize the PSEs, although this was not always the right panacea. Another is to increase their performance through changing the employees' mindset and the effective application of productivity tools and techniques. It was in this context that the APO organized a workshop on "Productivity Strategy for Public-sector Enterprises." It was hosted by Bangladesh and implemented by its National Productivity Organisation (NPO). Fourteen participants from the following APO member countries attended: Bangladesh, India, Indonesia, Iran, Nepal, the Philippines, and Sri Lanka.*

The meeting was inaugurated by the Minister for Industries Mr. Motiur Rahman Nizami. Other dignitaries present at the opening session were Dr. Shoaib Ahmed, Secretary, Ministry of Industries, and APO Chairman; Minister of State for Industries Md. Abdus Salam Pinto; Mr. Md. Nurul Amin, Additional Secretary, Ministry of Industries, and APO Alternate Director for Bangladesh, and NPO Head Dr. Md. Nazrul Islam. The APO Secretariat was represented by Senior Officer S.H. Choi.

Minister Nizami, in his inaugural speech, spoke of the importance of the workshop as it dealt with strategies to enhance PSEs. In the face of challenges posed by globalization, the Minister said that PSEs have no option but to enhance efficiency, improve quality, and reduce operating costs. He commented that the workshop had the difficult task of finding ways to increase the productivity of PSEs. He informed the meeting that the Bangladesh government would be declaring a new industrial policy in which raising industrial productivity and establishing small and medium-scale industries throughout the country are among the major aims. He expressed the hope that the workshop would be able to help Bangladesh adopt appropriate strategies for increasing PSEs' productivity and for privatizing them.

The Minister posed a number of issues for deliberation by the workshop. Among them were: appropriate role of PSEs in the national economy; the tools and techniques to help PSEs improve productivity; different dimensions of and approaches to productivity; results of PSE privatization; factors that hamper productivity in PSEs; developing a skilled and quality-oriented workforce; and developing a productivity work culture.

The workshop's proceedings were facilitated by two external experts deputed by the APO—Dr. G.K. Suri, International Management Institute, India, and Dr. Yue-Shan Chang, National Sun Yat-sen University, Republic of China—and two local resource persons: Professor Momtaz Uddin Ahmed, State University of Bangladesh, and Dr. Muhammad Rowshan Kamal, Independent University of Bangladesh. Their presentations dealt with a wide



*Minister Motiur Rahman Nizami giving his inaugural address. Seated (L-R) Mr. Md. Nurul Amin, Dr. Shoaib Ahmed, Mr. Md. Abdus Salam Pinto, Mr. S.H. Choi, and Dr. Md. Nazrul Islam*

range of topics: PSEs and globalization: issues and challenges; Corporate strategy for productivity improvement in public- and private-sector enterprises in the context of competitiveness and sustainable development; Tools and techniques for productivity improvement, with special reference to formulating strategies for PSEs; Challenges for productivity improvement in the public sector under a free market economic system and implications for public- and private-sector partnership; Emerging new work systems, worker attitude and motivation, and creation of a work culture for higher productivity; Developing performance-centered organizational culture; Cooperation, networking, and partnership for improved enterprise productivity and competitiveness; and Knowledge and information management for productivity promotion and improvement.

Dr. Md. Nazrul Islam, Bangladesh NPO Head, said that his country has benefited from hosting the workshop as PSEs have a long history of contributing to the socio-economic well-being of the people and the ideas and suggestions presented in the meeting would enable them to develop a productive strategy to survive in the era of globalization. 🌀