

Increasing interest in productivity measurement

The APO has been giving increasing focus and importance to productivity measurement in recent years. This is best exemplified by the launching of the annual publication *APO Asia-Pacific Productivity Data and Analysis* in 2001. Apart from this, nearly 20 projects were organized on productivity measurement over the past 10 years—total factor productivity (TFP); enterprise-level productivity measurement; agricultural productivity measurement; sector-specific productivity measurement, as in the service sector; and productivity data analysis. The NPOs in APO member countries are similarly undertaking more work in this area. For example, the National Productivity Corporation of Malaysia has developed two productivity measurement methodologies for use at the firm level: the Company Manual for Productivity Assessment (COMPASS) and Productivity Assessment System (PASS).

The NPOs' growing interest in this area is also reflected in the number of requests they have made to the APO Secretariat for the services of technical experts on productivity measurement. In the first quarter of this year alone, two productivity measurement experts were deputed by the APO. Professor Noriyoshi Oguchi of Senshu University, Japan, went to Malaysia in March to conduct a TFP study at firm level in the manufacturing sector. This was the second stage of his consultancy assignment; the first stage was in August 2003. The second was Dr. Melkote R. Ramsay, President of Ramsay International Productivity Education and Research Foundation, Australia, who was deputed to Vietnam, also in March, to provide advice on productivity assessment at company level.

This upsurge in interest in productivity measurement indicates the maturing of the productivity movement in Asia and the Pacific. After more than 40 years of active promotion of productivity and huge investments in its improvement, there is a growing demand for clear evidence of the contributions of productivity to the socio-economic development of countries in the region and to their people's quality of life. To meet this demand, the APO launched the publication *APO Asia-Pacific Productivity Data and Analysis*. In his Foreword to the first edition of the publication, APO Secretary-General Takashi Tajima said that the intention of publishing the book was to "provide all stakeholders and national policymakers with a set of vital, fundamental, and authoritative information to assist them in their strategic thinking, policy formulation, and action taking." For this reason, the 18 APO member countries that participated in the study have found it useful for: 1) comparing productivity results achieved with planned targets and with those of other countries; 2) checking progress made; 3) identifying areas where productivity remains weak; and 4) formulating effective policies to give the movement further support and impetus.

On 3–4 May 2004, a planning meeting was convened in Bangkok, Thailand, of the national experts of the participating countries to make



The experts' planning meeting in progress

preparations for the 2004 edition of *APO Asia-Pacific Productivity Data and Analysis*. It was led by the newly appointed chief expert Dr. Noriyoshi Oguchi and attended by Consultant Dr. Melkote R. Ramsay, APO Information and Public Relations Director Kenneth Mok, and national experts from 15 participating countries. Three national experts were unable to attend. APO Secretary-General Tajima sent a message in which he said: "I proposed the launch of this publication with the belief that offering this type of annual publication on productivity to our member countries and beyond is the duty of the APO as the organization responsible for productivity in the region." He added that after three editions the publication is beginning to take on a definitive character and contents to meet an important need of APO member countries. Mr. Tajima further told the experts that the quality, usefulness, and reliability of the publication were very much in their hands and what they do would in the end serve the needs and interests not only of the countries they represent but also of a wider readership.

At the planning meeting, the experts added the following 10 new indicators for the 2004 edition: Total Labor Force; GDP at Current Price; GDP at Constant Price; Total Employment; Share of Employment; Total Output for the Manufacturing Sector; Total Capital Stock; Unit Labor Cost in the Overall Economy; Power Generation; and Investment in IT. One objective in enlarging the data set is to facilitate the measurement of economic productivity. For this purpose, Dr. Ramsay was appointed to serve as consultant. The format of the country analysis reports was amended to include, in addition to the usual executive summary and policy insights, an analysis of the latest data in each of the eight categories of indicators and an in-depth study of human resources development. The 2004 edition is expected to be released in early January 2005. 🌀