

Philippines celebrates National Productivity Month

October 2004 was designated National Productivity Month in the Philippines. A potpourri of commemorative activities was organized to renew commitment, pledge new undertakings, and strengthen national cooperation and coordination to give fresh impetus to the productivity movement. Among the major events held were the signing of a Memorandum of Understanding (MOU) by the quality and productivity organizations within the country; 22nd National Quality and Productivity Congress of the Philippine Quality & Productivity Movement, Inc. (PQPM); and the 1st National Assembly of Quality & Productivity Organizations/Associations hosted by the PQPM and organized jointly with the Development Academy of the Philippines (DAP) and Quality and Productivity (Q&P) Forum.

This year was particularly significant for the Q&P Forum, a grouping of organizations established by the DAP in 2001 to create an intensified and concerted effort for the promotion and advocacy of quality and productivity in the Philippines. For the period 2001–2003, it had 21 members called Focal Productivity Organizations (FPOs). In 2004, the membership increased dramatically to 49. This enlarged grouping signed an MOU to strengthen and widen the advocacy, adoption, and practice of quality and productivity in both public and private sectors as well as to unify efforts of Q&P organizations to support the government's developmental program. The MOU was presented to President Gloria Macapagal-Arroyo on 6 October 2004 at the 30th Philippine Business Conference organized by the Philippine Chamber of Commerce and Industry.

A key speaker at the first national assembly of Q&P organizations, held on 15 October with the theme "Quality and Productivity for All and by All," was DAP President Dr. Eduardo Gonzalez, who is also the APO Alternate Director for the Philippines. In his discourse on "Working toward an Economy-wide Productivity Increase," Dr. Gonzalez presented the Q&P

Forum 2005 plans and programs in the following thrust areas: SME development, labor productivity, excellence in education, productivity enhancement in agriculture and fisheries, and excellence and innovation in manufacturing and service industries. The plans and programs are clustered into advocacy, institutional networking, capability building, and technical assistance and research.



Dr. Gonzalez

Dr. Gonzalez also proposed an institutional framework for adoption by the meeting. It calls for FPO heads to meet once a year to identify common and specific needs in quality and productivity and to recommend to the Philippine Council for Productivity (PCP) specific thrust areas for productivity enhancement. If accepted by the PCP, the recommendations will be

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incorporated into the Medium Term Philippine Development Plan as policy directions.

APO Secretary-General Shigeo Takenaka, in his congratulatory message to the organizers of the first national assembly, noted that the Philippines is unique among APO member countries in that it has a sizable number of organizations devoted to promoting productivity and quality in different sectors in the country. This is a strength, he added. "Organizing this national assembly demonstrates recognition that for this collective strength in numbers to make a definitive impact, there must be proper coordination of their respective activities to minimize duplication and maximize integration for synergistic results." He also said that the national assembly was for pooling collective wisdom in developing policy and program directions to address current productivity issues and concerns facing the country.

The PQPM 22nd National Quality and Productivity Congress held on 14 October received a special presentation on "Closing the Philippine Productivity Gap" by World Bank Country Director to the Philippines Joachim von Amsberg. His focus was on the reasons why recent reforms have resulted in only limited increases in investment and productivity. He offered the following possible explanations: the impact of reforms may only have begun to be felt, indicating a time lag problem; high frequency of natural disasters; weak investment climate; weaknesses in public governance; and high and growing concentration of control. Amsberg said that the way forward for the Philippines was to improve public institutions to deliver the common good, including implementing fiscal reforms for macroeconomic stability, regulatory reforms for a better investment climate, and social reforms for sharing the benefits of development. 