

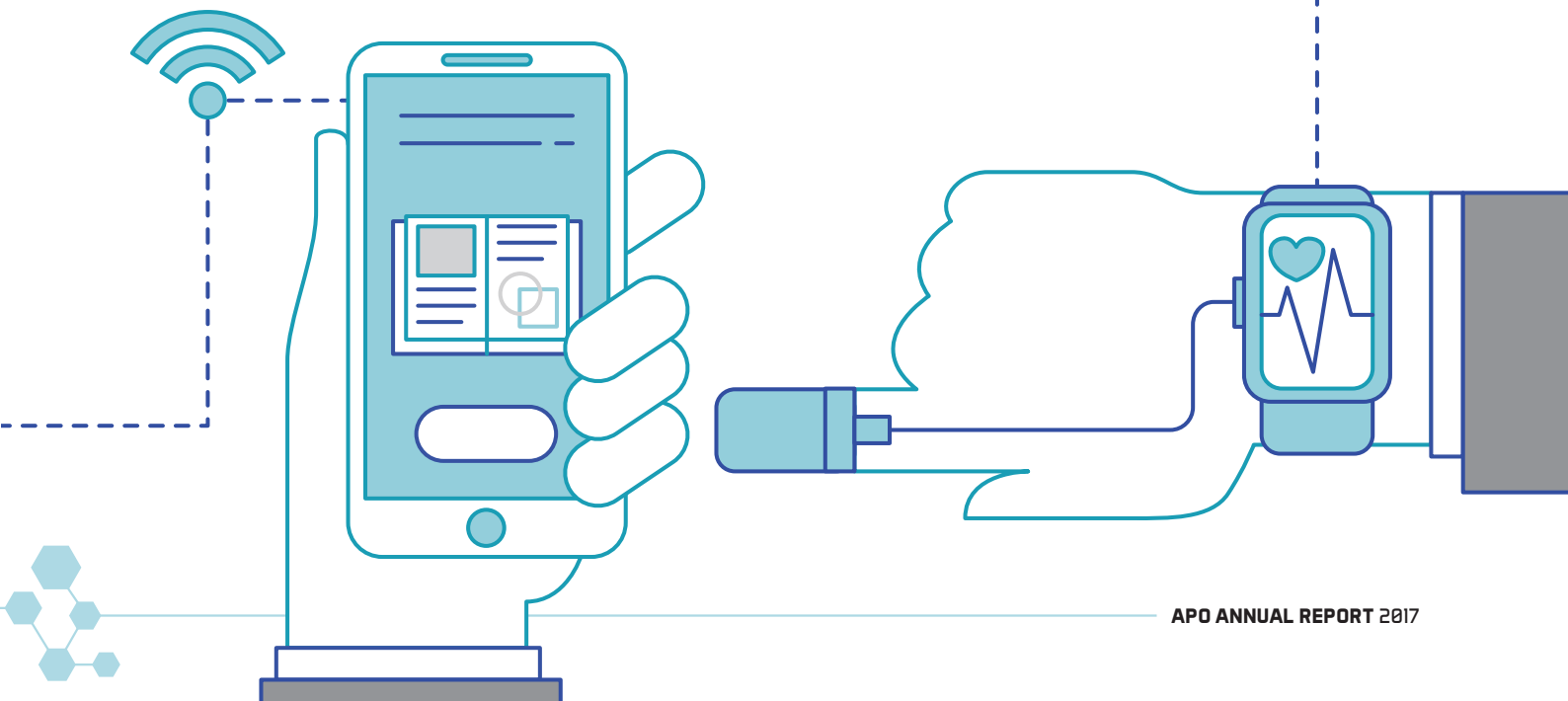
# SMART SERVICE

The service sector is now the largest economic sector worldwide and the fastest growing, making it the backbone of socioeconomic development. It is broadly grouped into three segments, the public sector, private corporate sector, and household sector. The rise of the service sector is also affecting employment and labor markets. Services are surpassing the manufacturing industry in number of employees and producing a shift in the distribution of employment and patterns in the division of labor. Technology has played an important role in this rise of the service sector, contributing to improved national productivity.

One of the most dramatic characteristics of late industrialization is the speed and scope of structural transformation from a manufacturing-based to a service-based economy. Although Industry 4.0 originally was only intended to make manufacturing smarter, it is moving beyond the boundaries of factories to impact other sectors, including the way services are delivered to customers. Today, organizations and industry are rapidly adopting technologies to extend their products as services and even leveraging

their expertise and home-grown solutions and processes to develop and offer newer services in areas like transportation and logistics, smart building management, healthcare, and smart cities. e-Governance is another area in which ICT is having a profound impact on the way governments function and the manner in which services are made available to citizens.

The service sector has a pivotal role in the economic development of APO member countries. IT and IT-enabled services have created global changes. Issues related to service-sector productivity include linkages between/among sectors, measurement-related questions, and sector-specific productivity tools. To increase global competitiveness, the APO has organized multicountry projects on topics such as business excellence (BE), corporate social responsibility (CSR), ICT innovation, increasing global market access, and customer satisfaction management, as well as an e-learning course on Customer Satisfaction Management and self-e-learning course on Marketing and Product Branding for SMEs to meet the needs of its member countries in the era of Industry 4.0.



## 2017 Programs



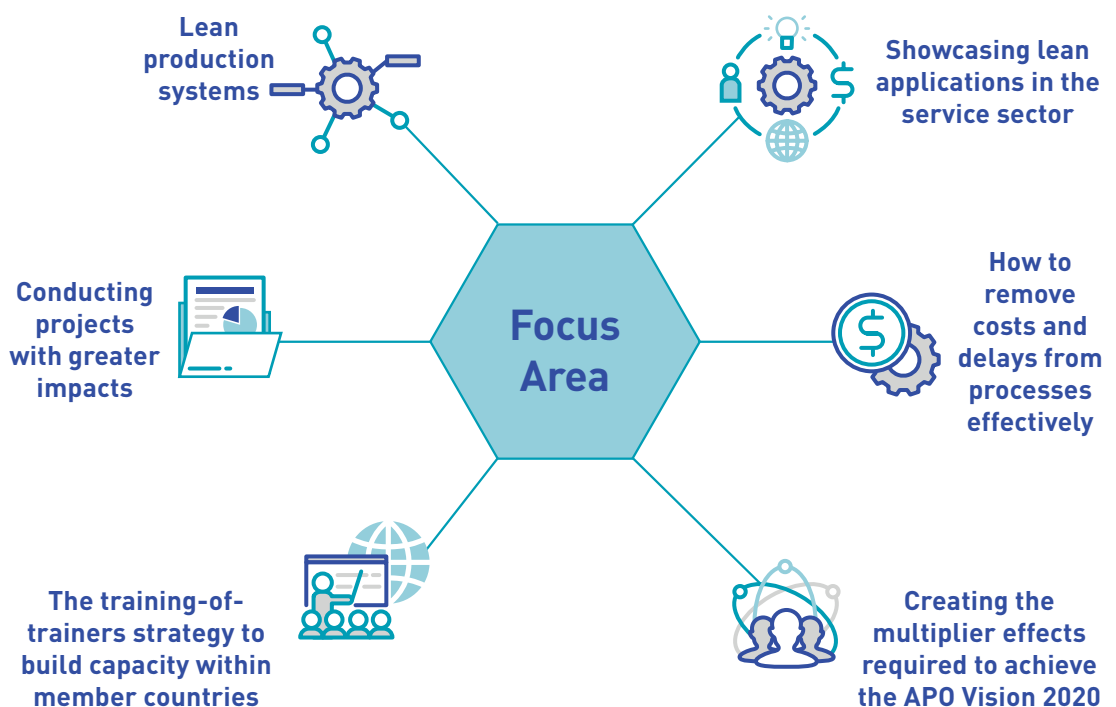
Participants have followed up those projects in various ways. Some of the results include proposals to apply service-sector productivity tools in government units, setting organizational and government policies on service-sector productivity improvement, the holding of sharing sessions on how to improve service-sector productivity for various stakeholders, training of trainers and consultants, initiating national BE award schemes, establishing BE assessor systems, developing CSR policies, and publishing labor-management relations guidance documents.

### Service Programs

While the APO program on CSR in SMEs was aimed at enabling companies to meet the triple bottomline objectives of social,

environmental, and financial goals, the ICT innovation program was a capacity-building initiative to prepare member countries, particularly NPOs, to deal with the impact of Industry 4.0 on the service sector. However, technology alone cannot help meet objectives without the right policies and processes in place to encourage lean systems that eliminate all types of waste or nonvalue added in processes. In 2017, the Secretariat focused on lean production systems, examples of lean applications in the service sector, and how to remove costs and delays from processes effectively. Initiatives also included a study mission on Lean Healthcare to the USA.

The Secretariat also decided to conduct projects with greater impacts and adopted the training-of-trainers strategy to build





**Increasing Global Market Access**



**e-Learning Course on Customer Satisfaction Management**



**Customer Satisfaction Management**



**Self-learning e-Course on Marketing and Product Branding**

capacity within member countries and create the multiplier effects required to achieve the APO Vision 2020. Positive outcomes were seen. After attending the APO study mission on Lean Healthcare in the USA, a participant from the VNPI conducted a sharing session that was attended by 200. She also organized 10 series of training courses and undertook two consultancy projects at public hospitals in the Mekong Delta region in southern Vietnam.

Inspired by the Society for Healthcare Improvement Professionals established by Keck School of Medicine, University of Southern California, one of the hosts during the study mission to the USA, Associate Professor of Industrial Design Chun-Ju Tseng, Chang Gung University, the ROC, decided to set up the Association of Medical Design to forge links among hospitals, academics, and industry in his country. He reported that the association had recruited and signed up potential members and would soon be registered by the government.

Similarly, a consultant from the Directorate for Standards, Metrology and Quality, Vietnam, who attended the four-week DPP: Basic course in the Philippines, conducted training and provided consultancy to a company in Ho Chi Minh City on productivity improvement through systematic good housekeeping (5S) activities. To ensure that the company could sustain the activities, she provided a 5S audit checklist and sustainability policy, which were developed during the APO course. One participant from the NTPC who attended the DPP: Advanced course subsequently started a project to help a manufacturing company undertake the ISO Quality Management System (ISO 9001:2015) certification process.

The company designated him as a qualified trainer and consultant in recognition of his involvement from the beginning of the effort and ability to assist in overcoming difficulties and challenges in the journey toward certification.

Green Productivity (GP)-related impacts were also evident. For example, an Indonesian participant in the Training of Trainers in Green Productivity subsequently conducted public training on GP, developed a community-based program, became involved in advising a local community on developing new products from banana tree waste, and set up a waste collection mechanism through a waste bank. Her ideas are creating awareness and contributing to better health through a cleaner environment, as well as changing behavior. Future plans include identifying ways in which the waste collected could be used to produce items such as handicrafts.

### **Certification Program**

In response to requests by member countries and to validate the competency and skills of trained participants who attended APO courses, a certification program was launched in 2015, in line with the aim of gaining global recognition and raising the visibility of the APO as a leading international productivity organization by 2020. The core DPP: Basic and Advanced courses were selected as prerequisites for certification. Those hoping to be certified must submit project reports within six months after course completion for evaluation by a panel of experts. Successful candidates receive three-year certification from the APO. In 2017, another course on GP was included in the certification program.