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The Activities of the Productivity

THE SUCCESS OF the productivity movement in industrialized countries encouraged Asian countries to launch similar activities. They have been helped by the International Labour Organisation (ILO), the United Nations Development Programme (UNDP) and the United States Agency for International Development (AID) to establish productivity centres.

In the majority of member countries of the Asian Productivity Organization (APO), these institutions are called productivity centres, but in others the word "productivity" is not included in the name, although the organization performs similar functions.

Management-development and industrial-engineering techniques are important at this stage of development in most of the member countries of the APO. These activities are vital to the expansion of productivity and must encompass the entire national territory. They emphasize the implications of the productivity concept in harnessing human and material resources and allot the productivity function its proper role in economic development programmes, at both the policy and implementation level.

Such factors as climate, tradition, economic aims, social ideologies, trade and investment targets, influence the pursuit of productivity, both within and outside the plant, and must be taken into consideration, and suitable long-term programmes and projects evolved.

New types of projects have emerged in the member countries. During 1968, for example, some countries decided to introduce the use of computers. Productivity organizations also are developing projects for computerization. The Productivity Centres of Japan and Korea have computer installations, and Hong Kong, India, Iran and Thailand have shown interest in projects associated with computer utilization. Since the concept of productivity entails a constant search for better methods of operation, this trend in seeking a new approach is a significant step.

Another indication of increasing consciousness of productivity is the aid given by productivity organizations to the growth of consultancy services. National productivity organizations (NPO) must have trained consultants available to carry out the training and assistance programmes necessary for the resolution

of short and long-term problems. The consultancy service generally is paid for by the user.

There has been little advance in co-ordination between institutions within a country striving for increased productivity. Most member countries have established agencies for discharging specific functions of management development. These include institutions for industrial engineering and for work study, quality-control associations, packaging federations, cost-accounting organizations, individual consulting agencies and management associations.

Most of the work of developing agricultural productivity is being done by the relevant ministries. During 1968, the phenomenal production achieved by the majority of APO member countries indicated the importance of the scientific approach to agriculture.

The aims, progress and special trends in the activities of productivity centres in fourteen countries are summarized below.

Ceylon

In 1968, the Government of Ceylon, with the assistance of the United Nations Development Programme/Special Fund (UNDP/SF), established a Management and Development and Productivity Centre to provide specialized training and advisory services for executive and managerial personnel in both private industry and State operations.

Other objectives are the promotion of small industries, the development of agriculture and assistance in the efficient operation of the main Ceylonese industries.

Republic of China

The China Productivity and Trade Center was set up in 1955 with the help of the Government of the Republic of China at the request of representatives of public and private institutions, labour unions and educational bodies. It has since become a self-supporting independent organization.

The aims of the Center are:

- To disseminate modern techniques for the improvement of the industrial productivity and economy of the country;

Organizations in APO Countries

- To give technical assistance to local industries, particularly medium and small industries, to increase efficiency in business management and in industry and to improve manufacturing processes in order to obtain greater productivity at a lower cost; and

- To promote trade by the exploitation and development of domestic and foreign markets.

As a consequence of the rapid industrial development (average annual growth rate from 1953 to 1967: 13.5 per cent) the productivity programmes are planned to embrace all spheres of economic activity including industry, agriculture, marketing, distribution, transport and shipping. In 1968, the drive for improvement in quality was a noticeable feature.

Hong Kong

In January 1967, the Hong Kong Productivity Council, on which industry, labour and Government were represented, was established by Government ordinance. A month later the Council set up the Hong Kong Productivity Centre. Prior to the establishment of the Centre, productivity activities in Hong Kong were conducted by the Hong Kong Management Association, the Hong Kong Technical College and the Labour Department of the Hong Kong Government, which continues to perform the same functions.

The objectives of the Centre are to:

- Consult, co-ordinate and assist private individuals or organizations, at home and abroad, engaged in the development or dissemination of expertise and techniques designed to increase industrial productivity;

- Stimulate interest in productivity;

- Collect and disseminate information relating to productivity;

- Encourage the study of productivity and provide training in productivity techniques;

- Provide consultancy services and technical assistance for persons or organizations engaged in industry.

Service to small and medium-sized enterprises which comprise 90 per cent of the industry of Hong Kong, was a feature of the activities of the Centre in 1968. It is agreed that greater emphasis should be placed on training to meet the needs of specific industries

and the Manpower Division of the Centre is concentrating its efforts on this area.

Bearing in mind the importance of applied technology at the shop-floor level and the need to improve the efficiency and productivity of local industry as quickly as possible, the Centre has recently established a Consultancy Division to assist local industry in translating theory into practice. The demand for technical assistance has proved so great that the Centre plans to establish a Technical Assistance Section to work in co-operation with the existing Consultancy Division.

India

In India, the interest shown by the Government and other organizations in the productivity movement greatly helped in the formation of the National Productivity Council (NPC). The NPC, which began operations as an autonomous institution in a planned economy, where the roles of the private and public sectors are defined, collaborates with every sphere of industry.

The aims of the NPC are to:

- Spread a consciousness of productivity throughout the economy;

- Impart knowledge of productivity concepts and techniques by the organization of training courses;

- Demonstrate the value of productivity techniques;

- Develop a Productivity Survey and Implementation Service.

In 1968 the NPC completed ten years of operation and witnessed a significant breakthrough in popularizing its productivity services in the field.

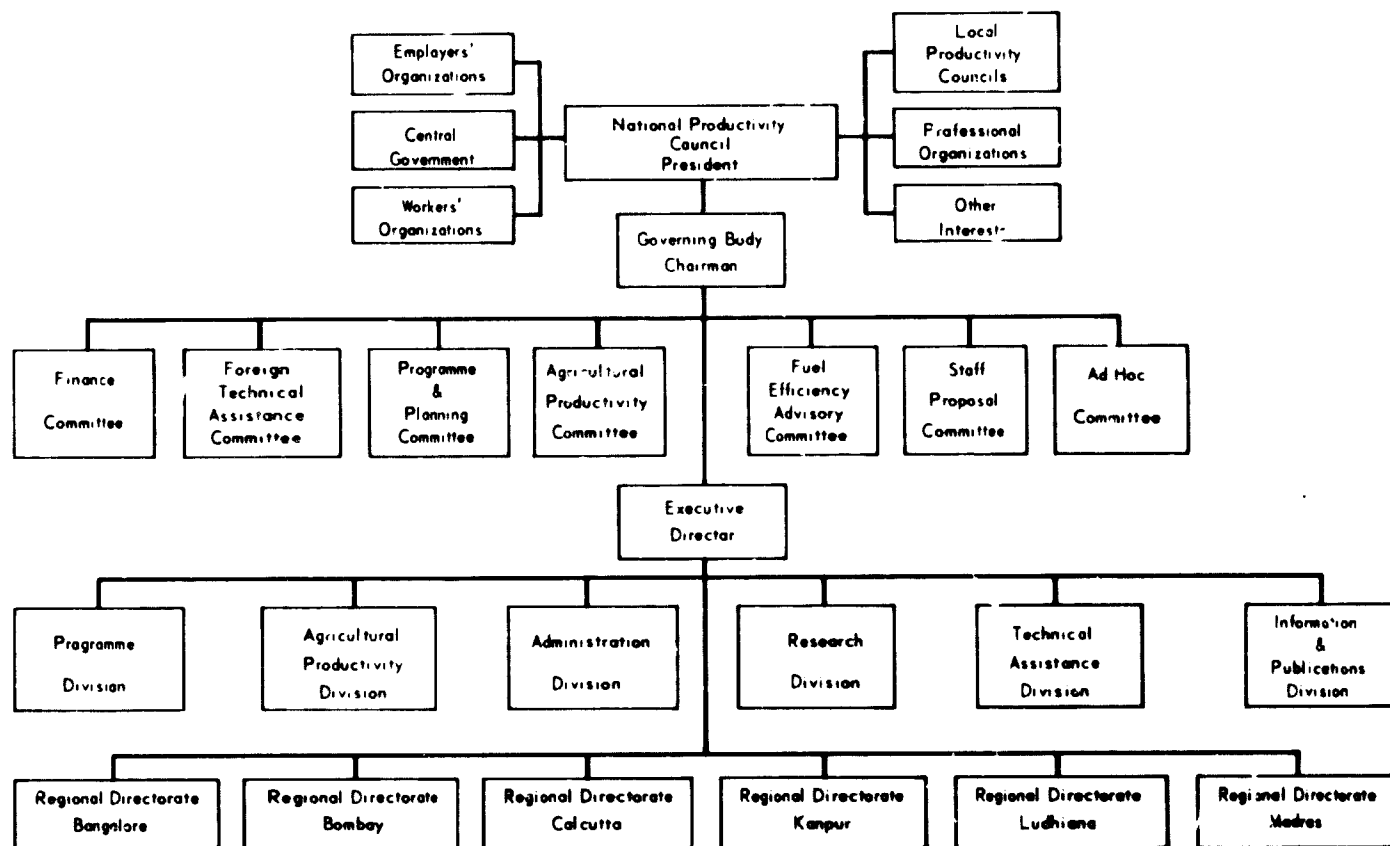
Future plans include:

- Concentration of services on selected areas of industry where productivity is impeded;

- Assisting supervisory training for business by publishing books and reading matter for participants to study and by holding National and Higher National Certificate Examinations;

- The establishment of a Residential Training Institute for Productivity Services to train NPC officers, executives from industry and candidates sponsored by international agencies.

Organizational Chart of National Productivity Council, India



Indonesia

In its efforts to rehabilitate the economy, the Government of Indonesia has emphasized the need to give top priority to agricultural productivity if the country is to attain self-sufficiency by 1973, the last year of the Five Year Plan.

The Ministry of Manpower established a National Productivity Centre in March 1959. The Centre is constituted on a tripartite basis, comprising ten Government nominees, five from private industry and five from the labour unions. It is governed by a National Productivity Council.

The work of the Centre includes holding training courses in productivity techniques, encouraging the establishment of small productivity units in various industries and serving as a clearing-house of information. A mobile productivity unit is planned which will tour the country and hold seminars for manufacturing industries, agricultural estates and mining enterprises, in addition to the setting up of productivity units to serve as links with the Centre. One of the problems being faced by the Government is the shortage of trained personnel, a deficiency that the Centre will try to make good by its training courses.

Iran

In 1968, in order to deal better with the problems facing a rapidly developing country, the Industrial Management Institute (IMI) was reorganized to become an integral part of the newly established Industrial Development and Re-ovation Organization.

The objectives of the IMI are to:

- Provide managers with an understanding of industrial planning, assist them in planning their businesses and demonstrate methods of setting specific targets for an industrial enterprise;
- Assist managers to acquire an understanding of the organization and structure of an industrial enterprise and to suggest methods of delegating responsibility;
- Instruct managers in methods of controlling a manufacturing business and help them to operate it.

Under the recent Iranian IMI reform programme a Systems Engineering Division has been created and a crash programme of consultancy projects started. In order to make industry aware of the role of the computer in industry, courses in the fundamentals of operations research, computer science, linear programming, systems modelling, simulation and project control, have been held.

A project to find an optimum system for the operation of the textile industry was undertaken in 1969. Further industrial research is planned in this field.

Japan

With the assistance of the Government of the United States, the Government of Japan established the Japan Productivity Center in 1955 and thus became the first country in Asia to spread the movement on an institutional basis. Later, private organizations and non-governmental bodies also showed keen interest in it.

The objectives of the Japan Productivity Center are: (a) promotion of the understanding of, and support for, the productivity movement and (b) development and application of specific knowledge essential to the improvement of productivity.

Owing to the gradual liberalization of capital investment, industry, fearing increased competition, took measures to improve its efficiency by mergers, innovations and expansions.

Efforts are being intensified in 1969 to reduce the technological and capital gaps that exist between Japan and the United States of America. Accordingly, the Japan Productivity Center will conduct feasibility studies on the utilization of computers in medium and small-scale industries. The target is to establish a model computer centre for common utilization by 1971. The Management Information Service also will become computerized, as will all sections of Japanese industry. In order to evolve a workable formula for a fair distribution of increased productivity, a three-year study is being completed in 1969.

Korea

Academic and business circles raised the funds necessary for the establishment of the Korea Productivity Center in 1957. The Government has subsequently provided it with an annual financial grant. The objectives of the Korea Productivity Center are to:

- Set up productivity units on a national scale and disseminate knowledge of methods of productivity to industry and to the general public;
- Provide industrial training in order to upgrade the managerial and technical skills of industrial personnel;
- Assist business and industry in increasing efficiency by providing consultancy services;
- Undertake economic and industrial research and conduct surveys in order to be able to supply commercial and economic data and guidelines for both the private and public sectors of industry.

The first year of the Five-Year Productivity Promotion Plan of the Center was 1968.

The productivity activities were conducted in accordance with the objectives of the Second Five Year Economic Development Plan and this has resulted in a national campaign for the Industrial

Rationalization movement. A project for the use of computers is gaining momentum. Research on behalf of the Government to establish a suitable pricing policy for products, such as fertilizers, automobiles and television receivers, has been entrusted to the Center.

Nepal

In 1957, the Industrial Development Center was established as a Government organization with the limited function of providing technical assistance to industry. In 1959, the Nepal Industrial Development Corporation came into being to develop industries, extend credit facilities and give advice on technical and managerial problems. The activities of the Productivity and Training Division of the Corporation were eventually transferred to the Department of Industries of the Ministry of Industry and Commerce.

The objectives of the Department, which is responsible for productivity activities in Nepal, are to:

- Engage in the promotion of industrial investment;
- Act as the national agency for productivity promotion;
- Furnish private and public industries and the Government of Nepal with managerial, technical and investment advice; and
- Collect, compile and disseminate industrial and commercial information and statistics.

Pakistan

In order to co-ordinate efforts towards the promotion of industry, the Government of Pakistan, with the assistance of AID, established two institutions, the Pakistan Industrial Productivity Service and the Pakistan Industrial Development Service. They were subsequently merged into a unit called Pakistan Industrial Technical Assistance Centre.

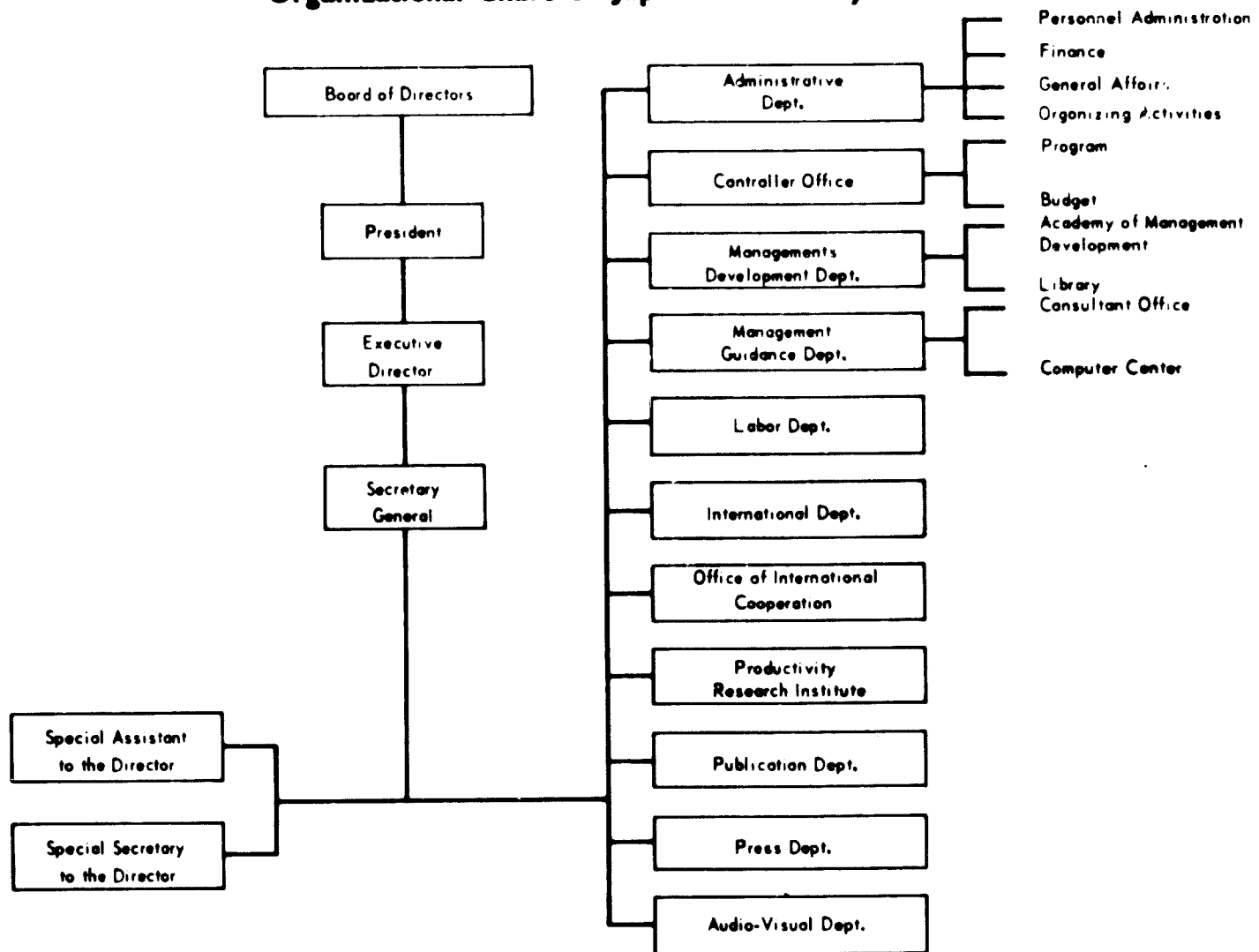
The objectives of the Centre are to:

- Promote a consciousness of productivity;
- Render technical advice to industries;
- Disseminate expertise in order to improve the knowledge of techniques in industry;
- Train industrial personnel to upgrade their skills and knowledge.

The Centre designs and manufactures precision tools, dies, moulds, jigs, fixtures, gauges and machine components and develops products and machines which would assist industries in increasing their productivity, promote the utilization of indigenous raw materials and increase the scope of indigenous manufactures.

In all, ten institutions are engaged in productivity-promotion activities covering such fields as management development, the development of technical skills, technical advisory services, tool development and common facilities, product and process development, agricultural promotion and a number of training

Organizational Chart of Japan Productivity Center



and consultancy programmes. On the technical side, the Pakistan Industrial Technical Assistance Centres at Dacca and Lahore and the Light Engineering Technical Centres at Gujranwala and Chittagong organized technical training courses for personnel from the private and public sectors of industry. Since jute is a major export, the Government has set up this year a Jute Industry Productivity and Product Centre at Dacca. Top priority has also been given to the development of agriculture.

The Philippines

From 1962 to 1967, the agency for productivity activities in the Philippines was transferred from office to office. Finally a new organization, the Productivity and Development Center (PDC), was established in June 1967 as a unit under the National Economic Council of the Philippine Government to plan and execute productivity activities in the country and co-ordinate APO programmes.

The objectives of the Productivity and Development Center are to:

- Stimulate productivity by the organization of training courses, fellowships, seminars and productivity study missions;

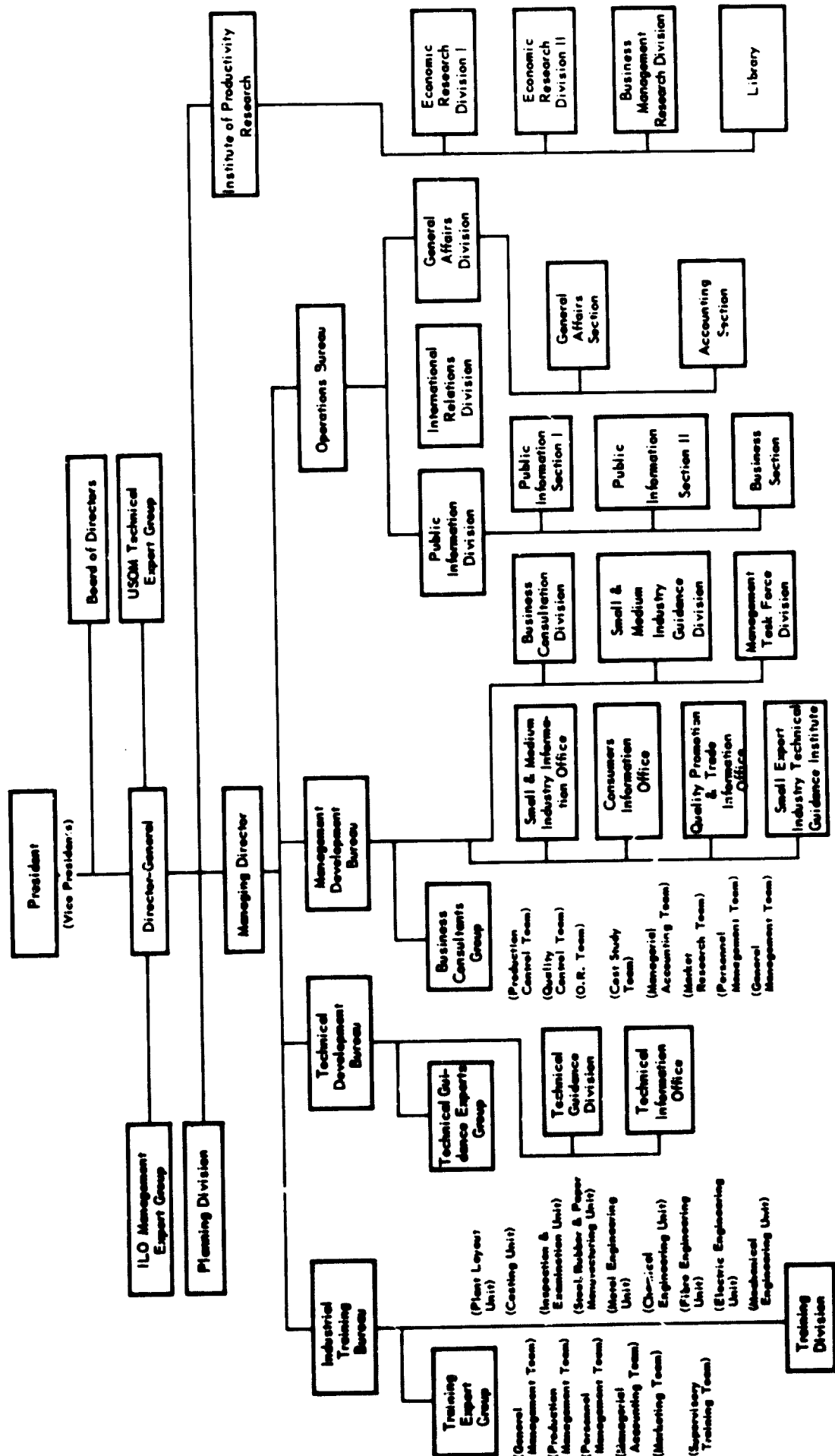
- Conduct follow-up programmes for the utilization and dissemination of expertise acquired during training;

- Assist local private industry in making use of technical services from APO and other local or foreign sources;

- Participate in the programme of exchange of technical experts among the APO member countries.

The Center acts as a clearing-house for training activities and has a pool of specialists available. With this co-ordination, it is hoped that PDC will be able to transmit the training priorities and related training material to enterprises. PDC also plans to act as a centre for collecting material and undertaking research on aspects of productivity improvement. Additionally, in 1969, PDC has set up a Productivity Cell Project. Leading small, medium and large industries in the country are being approached for annual subscriptions in return for which they will be considered as Pro-

Organizational Chart of Korea Productivity Center



ductivity Cells and entitled to the facilities offered by PDC and the APO.

Republic of Viet Nam

The Industrial Development Center in Viet Nam was established by the Government as an autonomous public agency. The Center originally had two departments: the Credit and Investment Department and the Trust Department. Later, two others, the Productivity Department and the Economic Research Department, were added to provide technical assistance and management services to industries and to spread the productivity movement. The objectives of the Industrial Development Center are to:

- Create, or assist in the establishment of, new industrial enterprises;
- Give technical and financial assistance to existing industrial enterprises in order to increase or improve their production;
- Advise domestic and foreign industries in matters of investment and provide the information necessary in the technical, economic and financial fields;
- Undertake studies requested in connexion with the establishment of projects.

In 1969, the Centre paid attention to management improvement and development programmes which covered the functions of management, including production engineering, marketing and accounting. Agricultural activities, undertaken in 1968, included studies, surveys and consultations. The studies related to: a tunnel dryer for agricultural products, a fish-meal plant, an animal-feed mill, farm implements and agricultural machinery. A project for setting up a fertilizer plant is being examined.

Singapore

By a joint declaration of 15 January 1965 entitled "The Charter for Industrial Progress and the Productivity Code of Practice", the Singapore National Trades Union Congress, the Singapore Manufacturers' Association and the Singapore Employers' Federation agreed that a national productivity centre be established and be responsible for the promotion and co-ordination of productivity in the country.

Since its inception in May 1967, the Centre has emphasized training, including the demonstration of a wide range of management techniques and approaches to industrial relations designed to improve the relationship between employers and workers. The objective is to achieve an understanding and appreciation of these techniques and approaches at the shop level, so that problems can be resolved as far as possible, at the lowest level of industrial activity.

During its short history the Centre has, however, engaged in the following activities:

- Arranging practical training, including the

application of work study, quality-control techniques, job evaluation and salary administration;

- Advising industries on the principles and methods involved in the introduction or the organization of works councils as useful labour-management joint machinery to deal with increased productivity, or improvement in conditions of work;

- Rendering consultancy services in industrial relations for the settlement of disputes, grievances and certain practical aspects of collective bargaining;

- Making technical studies to resolve such problems as the reduction of waste in production, and to introduce modern techniques for increasing productivity;

- Assisting and advising in co-operation with the Ministry of Labour, trade unions and welfare organizations on the selection of workers;

- Maintaining an Industrial Training Centre for young people with basic education in the trades and skills that are in demand.

The Government has requested UNDP to provide experts, fellowships and basic equipment over a period of five years in order to expand the Centre. Local counterparts under the guidance of ILO experts will be able to extend the activities of the Centre to cover not only the industrial sector but also to include marketing and commercial businesses.

Thailand

The productivity movement had its beginnings under the Department of Industrial Works. In 1962, however, the Government, with the assistance of ILO and UNDP/SF, established the Thailand Management Development and Productivity Center. The objective of the Center is to train executives, specialists and supervisors for existing and new industries in order to:

- Assist in raising the standard of living through increased productivity;

- Raise the skills of management by training in modern techniques, thereby ensuring the better use of materials, plant and equipment;

- Provide the management and supervisory personnel needed for present industrial development plans;

- Provide consulting services to industry and business enterprises.

The Productivity Center, which has the co-operation of professional, manufacturers' and trade associations, is expected to play an important role in promoting a consciousness of the importance of productivity throughout the country and in disseminating information.

The aims and activities outlined give an idea of the role of the national productivity centre in APO member countries. More specific information may be obtained by writing to individual centres.





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