



PROJECT NOTIFICATION

Ref. No.: 21-CL-14-GE-WSP-A-PN2100048-001

Date of Issue	28 June 2021
Project Code	21-CL-14-GE-WSP-A
Title	Workshop on Enhancing Productivity for SMEs: Measuring and Analyzing Productivity Gains
Timing and Duration	11–13 August 2021 (three days)
Hosting Country(ies)	Fiji
Modality	Digital Multicountry
Implementing Organization(s)	Ministry of Employment, Productivity and Industrial Relations, National Training and Productivity Centre, Fiji National University, and APO Secretariat
Participating Country(ies)	All Member Countries
Overseas Participants	19
Local Participants	12
Qualifications of Participants	Practitioners and consultants, representatives of industrial associations, managers, government officials, and policy research officers working on development strategies for SMEs, productivity enhancement, and manufacturing-sector SMEs
Nomination of Participants	All nominations must be submitted through National Productivity Organizations of member countries
Closing Date for Nominations	12 July 2021

1. Objectives

- a. Introduce productivity concepts and major drivers of SME productivity.
- b. Identify suitable approaches to measure and manage productivity in SMEs to develop the foundations for benchmarking.
- c. Formulate strategies for SME productivity enhancement to achieve industrial upgrading.

2. Background

SMEs play a vital role in the overall national development of APO member countries. They are major contributors to GDP by adding value through manufacturing goods or by offering services. They take center stage when it comes to employment generation, adoption of technologies, innovation, and research. Recent ICT advances have also opened new marketplaces for enterprises to offer products and services globally.

Volatility in the business environment and diversity in customer demand require SMEs to embrace innovation and adopt a culture of productivity enhancement to remain competitive for sustained growth and profitability. However, shrinking profit margins and increasing costs of raw materials directly impact the value added by SMEs. The ongoing COVID-19 pandemic has also raised additional hurdles, necessitating SMEs to increase operational efficiency, automate business processes, and expedite decision making.

To overcome these challenges, SMEs must first understand their level of productivity while formulating business strategies and development policies. SMEs have diverse methods of production, marketing, and decision making. This diversity makes it difficult to evaluate the effectiveness of their productivity improvement efforts. The APO recognizes the importance of enhancing and monitoring the progress of SME performance and sharing productivity performance levels and best practices among SMEs within its members. For this purpose, SMEs must nurture a strong productivity mindset and view productivity measurement as an important process for improvement.

In the past, capacity-building workshops and training courses were conducted and sector-specific research outcomes were published by the APO emphasizing the importance of productivity measurement and management frameworks for SMEs. For example, the *APO Handbook for SME Productivity Measurement and Analysis for NPOs*, a publication on SME warehouse productivity, and results of a benchmarking research project on the food-manufacturing sector in Asia provided insights on key performance indicators and sector-specific best practices and recommendations for the ready reference of SMEs.

This workshop will provide a platform to review the methodologies for SME productivity measurement and support participating countries in developing strategies for productivity enhancement and industrial upgrading based on findings from the measurement results.

3. Scope, Methodology, and Certificate of Attendance

The duration of each day's sessions will be around three hours comprising presentations by experts, group discussions, and other relevant learning methods. The indicative topics of the presentations are:

Day 1:

- Productivity indicators and measurement methodologies
- SME productivity measurement at micro and macro levels

Day 2:

- Benchmarking against best practices and implications for productivity enhancement
- Hands-on experience in determining enterprise productivity performance through IT platforms

Day 3:

- Productivity gainsharing
- Case study and group work

The detailed program and list of speakers will be provided two weeks prior to the sessions with announcement of the names of the selected participants.

The participants are required to attend all sessions. This full participation is a prerequisite for receiving the APO certificate of attendance.

4. Financial Arrangements

- a. The APO will meet the assignment costs of overseas resource persons and honorarium for up to two local resource persons.
- b. The host country will meet the costs for a virtual site visit(s), either broadcast live or recorded as applicable.

5. Implementation Procedures

Please refer to the implementation procedures for APO digital multicountry projects circulated with this document.

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Secretary-General