

Singapore's Productivity Drive

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Major developments

1960s	Sowing seeds of productivity to support industrialisation <ul style="list-style-type: none">• Set up National Productivity Centre to spearhead national productivity drive
1970s	Ramping up productivity drive <ul style="list-style-type: none">• Establishment of government agency, National Productivity Board (NPB)• Focused on training, consultancy, promotion and research
1980s	Intensification of national productivity drive <ul style="list-style-type: none">• Formation of high-level Committee on Productivity• Launched national Productivity Movement to address human aspects of productivity• Carried out Singapore-Japan Productivity Development Project to build capability and industry competencies

Major developments

1990s	Total approach to productivity <ul style="list-style-type: none">• Promoted concept of Total Factor Productivity• Merged NPB and Singapore Institute of Standards and Industrial Research to form Productivity and Standards Board to raise institutional capabilities
2000s	Shifting gears <ul style="list-style-type: none">• Shift of focus to innovation and divestment of capabilities to the industry• Formation of SPRING Singapore to focus on enterprise development
2010s	Giving greater impetus to productivity drive <ul style="list-style-type: none">• Formation of high-level National Productivity and Continuing Education Council*• Adopted a sectoral approach to drive productivity + horizontal programmes across sectors• Increased focus on skills development and continuing education

* Now known as Council for Skills, Innovation and Productivity

Key Issues

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1. PQI Awareness and Culture-Building

- Need for common understanding of PQI and relationship with wealth creation, etc; and what must be done to increase productivity (not reducing labour)
- Sustained promotion with consistent branding required beyond 2017 as year of PQI. E.g. of specific activities – model companies; excellence awards
- Building up the appropriate culture and mindset is essential

2. Roles of Different Organisations

- Roles of Councils, govt agencies and other organisations to be clearly defined and rationalized
- Govt agencies need to incorporate PQI
- Moving from silos to seamless integration of strategies across govt agencies (incl. sharing of plans)
- Role of academia and strengthening of academia-industry linkage

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5

Key Issues

3. Action Roadmap

- Roadmap will have be worked out – phases and activities
- Consensus required on priority areas to be addressed (guided by GCI and GII findings)
- Specific targets to be set and achievements monitored

4. Addressing Different Factors Impacting Productivity

- Working simultaneously on firm-level capacity building and productivity enablers (e.g. institutions, energy)
- Paying attention to productive vs non-productive capital
- Addressing issues at different levels of the economy (firm, sector, economy)
- Deciding on priority sectors

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6

Key Issues

5. Holistic Approach

- 3 PQI plans/policies or 1 integrated whole
- Horizontal cross-sector plans (specific areas like ICT and SME devt)
- Vertical industry plans (including cluster plans if appropriate)

6. Implementation Approach

- Decision needed on drivers of various strategies – govt, industry associations, PPP, etc.
- Decision to be taken on programmes to be funded by the govt and those that need not be. Generally, infrastructural and promotional programmes are borne by the govt. Expenses for training and consultancy will have to be borne primarily by the companies

Key Issues

7. Productivity Measurement

- Identify key measures at various levels
- Need for detailed enterprise and workforce data to be collected over time
- Promote importance of productivity measurement

8. Role of the Unions

- Importance of role of unions in implementing PQI initiatives
- Unions partnering employers and govt in tripartite approach

9. Priorities

- With so much to be done, priorities must be clear.
- Quick wins to encourage further action and emulation