

Lam Chun See, president of a Singaporean consulting firm (right), lectures on the Japanese 5S system for *kaizen*.



The *Kaizen* Project Laying the Groundwork for Singapore's Growth

Singapore today is a key hub of an increasingly globalized Asia. In the early 1980s, it was clear that the young economy was one to watch, having enjoyed steady economic growth since its founding in 1965. But it was JICA's Productivity Development Project, launched in June 1983, that decisively contributed to upgrading the country's industrial structure. Singapore would not be what it is today without the success of this project.

EMULATING JAPAN'S PRODUCTIVITY DEVELOPMENT MOVEMENT

Nation building begins with people building. The



Singaporean business leaders and representatives from the Japan Productivity Center applaud one another's hard work on a project.

first seeds were sown in January 1981, when then Prime Minister Zenko Suzuki visited five ASEAN members and announced the ASEAN Human Resources Development Project, with a total budget of \$100 million. This project set up development centers in the member countries to serve as strongholds for interpersonal exchanges and talent training.

It was Singapore that requested productivity development assistance. In June 1981, then Prime Minister Lee Kuan Yew of Singapore visited Japan and met with Kohei Goshi, then chairman of the Japan Productivity Center. Lee noted to Goshi that Japan had achieved remarkable economic growth after World War II despite being a resource-poor country, just like Singapore, and that Singapore would like to emulate Japan's productivity development movement that laid the foundation for that growth.

Singapore had promoted labor-intensive industries up to that point. But to attain further growth,

33 to uncover secrets of Japanese management

Group's visit part of move to upgrade skills of NPB's staff

THE great success of Japanese in a government and training center began today with the dispatch of 33 people to Japan to study the secrets of Japanese management and productivity. The group will be led by Mr. Lee Kuan Yew, Prime Minister of Singapore, and will be accompanied by Mr. Kohei Goshi, Chairman of the Japan Productivity Center.

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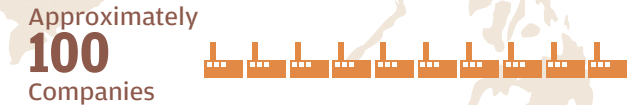
A 1984 Singaporean newspaper article covered the National Productivity Board staff visit to Japan.

Project Primary Results in 7 Years

Development of Training Materials and Literature



Kaizen Introduction and Implementation



Singaporeans Participating in JICA Training in Japan



JICA Experts Leading Training in Singapore



Singaporeans Receiving Training from JICA Experts



it was imperative for it to shift to a knowledge- and capital-intensive industrial structure and bolster its global competitiveness. To this end, Lee mandated the establishment of the National Productivity Board (now the Standards, Productivity, and Innovation Board).

A BUMPY ROAD TO SUCCESS

When JICA launched the Singapore Productivity Development Project, the aim was to pass on Japanese productivity development techniques to the NPB, thereby laying the groundwork for a productivity-boosting movement in Singapore. Cooperation lasted for seven years through June 1990, including a two-year follow-up period.

Transferring productivity development know-how was a bumpy road at first. The first Japanese approach of "Just give it a try, and then you'll see" did not go down well in Singapore, where value was placed on practicality and theory. In fact, about a year into the project, the Singaporean side voiced frustration about the lack of visible results, and the project reached a standstill.

To alleviate the situation, Kiyohiko Sakurai was brought in as the second team leader and adviser. A former shipbuilding engineer, Sakurai was a private citizen who had worked in Singapore for 18 years. He scrapped the initial approach, in which Japanese specialists coached counterparts who then instructed locals, and instead had the specialists go out to factories with NPB staff to transfer know-how step by step to the managers and workers. In short, the role of the specialist shifted from adviser to hands-on assistant.

TRANSFERRING JAPANESE CORPORATE CULTURE

What proved effective in the transfer of know-how was *kaizen*, a Japanese method involving constant, incremental improvements to quality and productivity. *Kaizen* involves the so-called 5S system of



Mr. Lam, standing, (third from right), trained with Japan's auto component company Aisin Seiki for two weeks in 1985.

seiri (sorting), *seiton* (setting in order), *seiso* (systematic cleaning), *seiketsu* (standardizing), and *shitsuke* (sustaining adherence to rules) to improve the efficiency and overall quality of the work environment.

Yasushi Fukuda, who succeeded Sakurai as team leader, explains how the partners made the program a success: "Once a month, we provided the opportunity for members of top management from Japan and Singapore to meet and share their comments and complaints with one another. That worked out very well." Engaging in human interactions helped them overcome differences over time, and out of this grew the awareness that they were all one big "productivity family."

In previous decades, technical assistance by Japan had often focused on providing hardware, with skills and know-how transferred secondarily. The Singapore Productivity Development Project was noteworthy as a more holistic approach, integrating the transfer of productivity technology with business management techniques and corporate culture in a truly comprehensive management system.

This holistic approach today informs JICA's activities around the world, thanks in part to the clear success of its application in Singapore. Today the tiny island state is an economic powerhouse that outranks Japan in GDP per capita. And JICA is proud that its project played a significant role in Singapore's emergence as a center of Asian growth.