

39th Sustainable Shared Growth Seminar

MSME AND DECENTRALIZATION

**JAN
2024**



A seminar by

Sekiguchi Global Research Association of the
Atsumi International Foundation (SGRA)

in collaboration with

Faculty of Management and Development Studies
(FMDS) of the University of the Philippines Open
University (UPOU); College of Public Affairs and
Development (CPAf) of the University of the
Philippines (UPLB)



TABLE OF CONTENTS

- 01** Introduction
- 03** Program
- 05** Opening Remarks: Junko Imanishi,
Chief representative, SGRA/AISF
- 08** Presentation 1: An Organizational
Architecture Approach to the MSME
Dev't Plan – Dr. Max Maquito
(CPAf/UPLB)
- 14** Presentation 2 : Business
Operations and Productivity for
MSMEs: A Regional Context – Eng'r
Baby Reyes Lim (Summit
Consultancy and Research
Services)
- 21** Discussion : Dr. Bill Servanez
(Romblon State University)

TABLE OF CONTENTS

25 Closing Remarks: Dean Joane Serrano, Ph.D. (FMDS/UPOU)

28 Gallery

32 Next Step

33 Acknowledgements

ACRONYM

FULL NAME

FMDS	Faculty of Management and Development Studies
UPOU	University of the Philippines Open University
CPAf	College of Public Affairs and Development
UPLB	University of the Philippines Los Baños
SGRA	Sekiguchi Global Research Association
AISF	Atsumi International Foundation

MSME AND DECENTRALIZATION

39th Sustainable Shared Growth Seminar

Jointly Organized by:

Faculty of Management and Development
Studies (FMDS) of the University of the
Philippines Open University (UPOU);

College of Public Affairs and Development
(CPAf) of the University of the Philippines Los
Baños (UPLB)

Sekiguchi Global Research Association (SGRA)
of the Atsumi International Foundation (AIF)



MSME =
MICRO, SMALL, & MEDIUM ENTERPRISE

Presenters

Eng'r. Baby Reyes Lim (Summit
Consultancy and Research
Services) "Business Operations
and Productivity for MSMEs: A
Regional Context"

Dr. Max Maquito (CPAf/UPLB) "An
Organizational Architecture
Approach to the MSME Devt. Plan"

Discussant

Dr. Bil Servañez (Romblon State
University)

Jan. 22, 2024
MONDAY
0900-1200 (PH TIME)
ZOOM + UPOU

- **OPEN TO THE PUBLIC**
- **NO FEES**
- **NO STREAMING**
- **LIMITED SLOTS**

REGISTRATION LINK & QR CODE

<https://forms.gle/KM3kpisCAe7uWzAH6>



INTRODUCTION

JANUARY 22, 2024

MSME and DECENTRALIZATION

KKK SEMINAR #39

The Sustainable Shared Growth Seminars are also known as the KKK seminars. KKK stands for Kahusayan (Efficiency), Katarungan (Equity), and Kalikasan (Environment), which represents the economic goals of sustainable shared growth. It is also the name of the revolutionary organization that fought for the independence of the Philippines from Spain. Unlike in Western or Asian (Japanese) context, for the Philippines, therefore, KKK stands for what is noble in her traditions, and is very much against repression. We feel that the Philippines is in dire need of sustainable shared growth, and requires nothing short of a revolution, albeit peaceful, in our way of thinking and acting on these issues.

This seminar series is organized by the Sekiguchi Global Research Association of the Atsumi International Foundation, based in Sekiguchi, Bunkyo-ku, Tokyo, Japan. The Nihongo equivalent for KKK are kouritsu (efficiency), kouhei (equity), and kankyou (environment), for which the Japanese characters are 効率, 公平, 環境, respectively.

INTRODUCTION

JANUARY 22, 2024

MSME and DECENTRALIZATION

KKK SEMINAR #39



Max Maquito

January 23 at 1:40 PM · 🌐

...

Done with the 39th sustainable shared growth seminar (MSMEs and Decentralization). The presentations and discussions combined to form a good combination of the forest (of policy framework and sustainable shared growth by myself) the trees (of firm-level productivity improvements by Eng'r [Geraldine Reyes Lim](#)), and the mycorrhizal network (that could be formed by the academe as shown by Dr. [Bilshan F. Servañez](#)) of the MSME sector. The discussions were also enriched by the active participation of Batch #2 of the Learning Actively through Knowledge-Based Appreciation for Youth (LAKBAY), a Youth Cultural and Learning Immersion Camp of [UPOU Faculty of Management & Development Studies](#) (FMDS) consisting of participants from Taiwan and UPLB.

Thank you again for the invitation of Dean [Joane Serrano](#) and Prof. [Cesar Luna](#) (FMDS/UPOU) to jointly organize this seminar with [UPLB College of Public Affairs and Development](#) (CPAf) and [SGRA PH Sekiguchi Global Research Association of Atsumi Zaidan](#) (AIF). It was also nice to see the rest of the Alitaptap Community Currency team buzzing with activity ([Noreen Alazada](#), [Neena Ebron](#), and [Janele Belegal](#)) Thanks once again for the untiring support of [Karen Janiya](#) (CPAf), Lenie (三 口 マキト レニー) and last but not least AIF Executive Director [Junko Imanishi](#)

Thank you also to other CPAf friends that joined the seminar Drs. [Jaine Cadoc Reyes](#) and [Ericson N. Dela Cruz](#), Phd Candidate [Rosa Ophelia D. Velarde](#), and PhD graduate student [Raymund Piñon](#) :)

Hope to see you all at the next seminar this March!

PROGRAM

OPENING REMARKS

JUNKO IMANISHI

Chief Representative, Sekiguchi Global Research Association
Atsumi International Foundation

PRESENTATION

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO MSME DEV'T PLAN

Dr. Max Maquito (CPAf/UPLB, FMDS/UPOU, SGRA/AIF)

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSME'S: A

REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

DISCUSSION

Dr. Bil Servañez (Romblon State University)

CLOSING REMARKS

DR. JOANE SERRANO

Dean, FMDS/UPOU

CHAIR

PROF. CESAR LUNA

Program Chair, FMDS/UPOU

PROGRAM



Eng'r. Baby Lim

Dr. Bil Servañez

Dr. Max Maquito

Dr. Joane Serrano



CHAIR | PROF CES LUNA (FMDS/UPOU)

Cesar Z. Luna is the Chair of the Diploma in and Master of Land Valuation and Management Program of the University of the Philippines Open University, where he teaches online courses in mass appraisal and real estate investment. He also serves as the Assistant to the Vice Chancellor for Finance and Administration and as the Head of the Campus Development and Maintenance Office. He holds a Bachelor of Science Major in Marine Science degree from the University of the Philippines and a Master of Marine Affairs degree from the University of Washington. He is presently enrolled in the online program entitled "Appraisal, Institute of Canada, Accredited Appraiser Canadian Institute" of the AIC and the University of British Columbia. His research interests cover the areas of coastal management, decision analysis, real estate appraisal and investment, and sustainable shared growth.

E-Mail: cesar.luna@upou.edu.ph

OPENING REMARKS: JUNKO IMANISHI

CHIEF REPRESENTATIVE, SGRA/AISF

Good morning from sunny but cold Tokyo. My name is Junko Imanishi, Managing Director of Atsumi International Foundation based here in Tokyo. Welcome to the 39th sustainable shared growth seminar with the topic, “MSME and Decentralization”. I would like to thank our first time presenter and discussant in this seminar series, Engineer Baby Lim and Dr Bilshan Servanez who I am sure have a lot to share in this topic.

Toyota, Honda, and Sony all started out as town factories. SMEs often specialize in a particular field or niche or new market, where they can demonstrate innovation and advanced expertise. This makes it easier to establish a competitive advantage. Therefore, in Japan, many SMEs are considered to have world-class technology. In addition, many small businesses are rooted in the local community, and their contributions to the community are emphasized. They are expected to build close ties with the community by increasing local employment and sponsoring local events. The car company Toyota, named after its founder, is now a Toyota city of 380,000 people within a 30-minute drive of Nagoya.

**“Toyota, Honda,
and Sony all
started out as
town factories.
SMEs often
specialize in a
particular field or
niche or new
market”**



OPENING REMARKS: JUNKO IMANISHI

CHIEF REPRESENTATIVE, SGRA/AISF

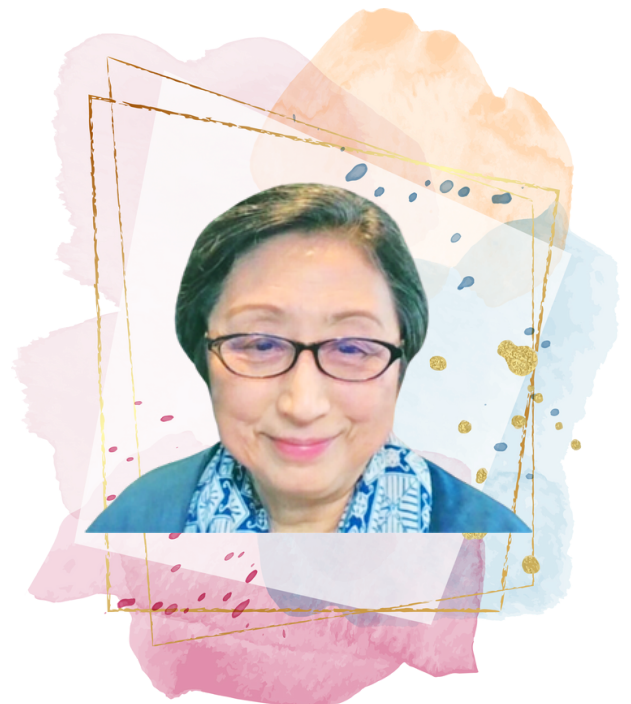
The ties between the company and the region are very strong. Each region of Japan has developed distinctive industries. The city of Kofu of Yamanashi Prefecture, has capitalized on its grapes to create a successful wine industry. Local wine producers are taking advantage of traditional methods and regional specialties to promote their products to local consumers and tourists.

Kutani ware from Ishikawa Prefecture, which suffered a major earthquake on the New Year Day, is known as one of Japan's traditional crafts, and small and medium-sized local companies are preserving this tradition while offering products tailored to modern demands. The unique designs and high-quality products are loved both at home and abroad.

We hope that these Japanese experiences can be used as a reference for discussion on "MSMEs and decentralization" in the Philippines.

I would like to once again thank the Faculty Management and Development Studies of the University of the Philippines Open University, especially Dean Joane Serrano and Prof. Cesar Luna, and the College Of Public Affairs and Development of the University of the Philippines Los Baños,

“The unique designs and high-quality products are loved both at home and abroad”



OPENING REMARKS: JUNKO IMANISHI CHIEF REPRESENTATIVE, SGRA/AISF未来会議

どうも
ありがとうございます
Many Thanks!

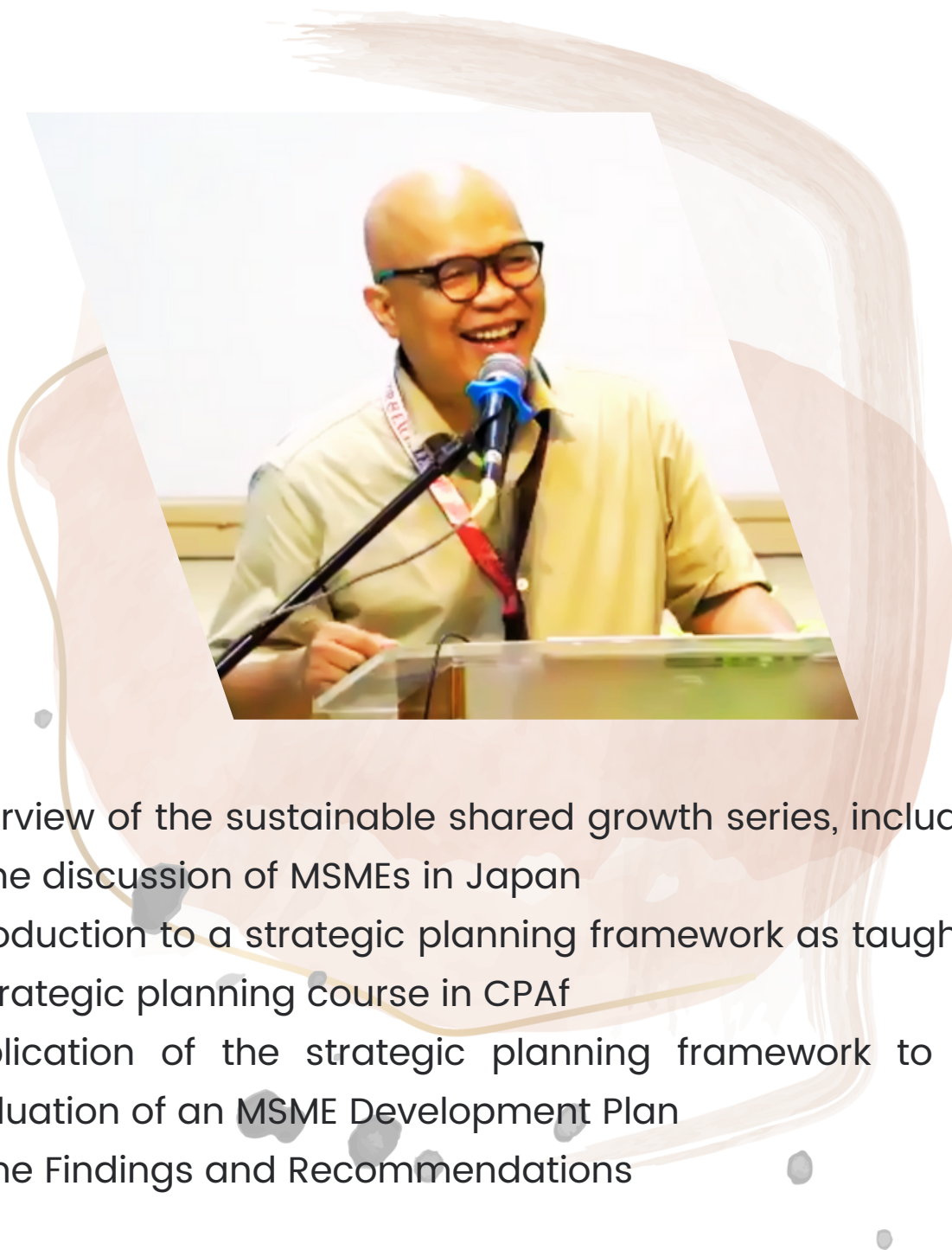


*Gokokuji (Shrine), Bunkyo Ward, Tokyo
(very near SGRA/AISF HQ)*

Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

DR. Max Maquito (CPAf/UPLB, SGRA/AISF)



- Overview of the sustainable shared growth series, including some discussion of MSMEs in Japan
- Introduction to a strategic planning framework as taught in a strategic planning course in CPAf
- Application of the strategic planning framework to the evaluation of an MSME Development Plan
- Some Findings and Recommendations

Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

DR. Max Maquito (CPAf/UPLB, SGRA/AISF)

- Provided the backdrop for this seminar series and opines that the Philippines is in dire need of sustainable shared growth, and requires nothing short of a revolution, albeit peaceful, in our ways of thinking and acting. Like the Kataas-taasang, Kagalang-galangang, Katipunan ng mga Anak ng Bayan (KKK), the highest, most respected assembly of sons/daughters of the nation that helped spur Philippine independence, the 3 Ks are enunciated in Kahusayan (efficiency), Katarungan, (Equity) and Kalikasan (environment) as ways towards attaining sustainable shared growth.
- Shared the role of Japanese SMEs particularly those in the automobile industry in shaping up the country's development. The interplay between the government, the Japanese car manufacturers and the parts manufacturers that are dispersed in different prefectures were shown.
- Shared my Strategic Planning Framework where strategy formulation and strategy implementation are key components and where the SWOT analysis is embedded in the strategy formulation.
- The framework was applied to the evaluation of the the MSME Development Plan for 2017-2022. The strategies for MSME development were shown together with the programs and projects.



This reminds me of our own transport scenario. We are about to phase out the jeepneys to be replaced by newer, taller, air-conditioned units run by electricity. One Philippine company, Francisco Motors Corporation, is showing up in my Facebook page as being able to face the imported ones head on with their improved electric version of the jeepney but they are clinging to the age-old traditional design stating that this is our cultural heritage. If this local manufacturer could decentralize and follow the Japanese experience, they could remain around for a long ride.

Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

DR. Max Maquito (CPAf/UPLB, SGRA/AISF)

- In the evaluation of this development plan a survey was conducted where 701 firms throughout the country mostly in manufacturing and retail and trade; with representations mostly from Region 8, CALABARZON, MIMAROPA, Region 3, and Region 5; and mostly from micro enterprises and with fewer representations from the small and the medium levels.
- The findings showed that there was general conformity of the SWOT to the 5 basic strategies of the MSMEDP. Data, however, have shown that among the PAPs for each strategy there were programs that had high relative share but are unknown to many with their large percentage of don't know answers. Central to strategy implementation is the organizational architecture.
- The MSMED Councils (MSMEDCs) are tasked with MSME development throughout the country as declared in the Magna Carta for MSMEs. The Philippine MSMEDCs are attached to the DTI and, relative to other ASEAN countries these are more decentralized with 3 levels: national, regional, province or city.
- It was also observed that the allocation of decision rights was decentralized; whereas, the allocation of skills for the performance of tasks was specialized, with each task assigned to a specialized sector or government agency. This specialized allocation of strategy may have raised a problem in coordination most especially in the setting and monitoring of targets.



The levels may have been understandable because not all government agencies extend their offices to the municipal level. The Department of Tourism whose secretary is a member in the national level, sometimes have only one person in the provincial level very much like the Department of Science and Technology that had only two personnel in the provincial level in the early years of existence. The creation of a municipal level would be too much of a burden for these offices.

Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

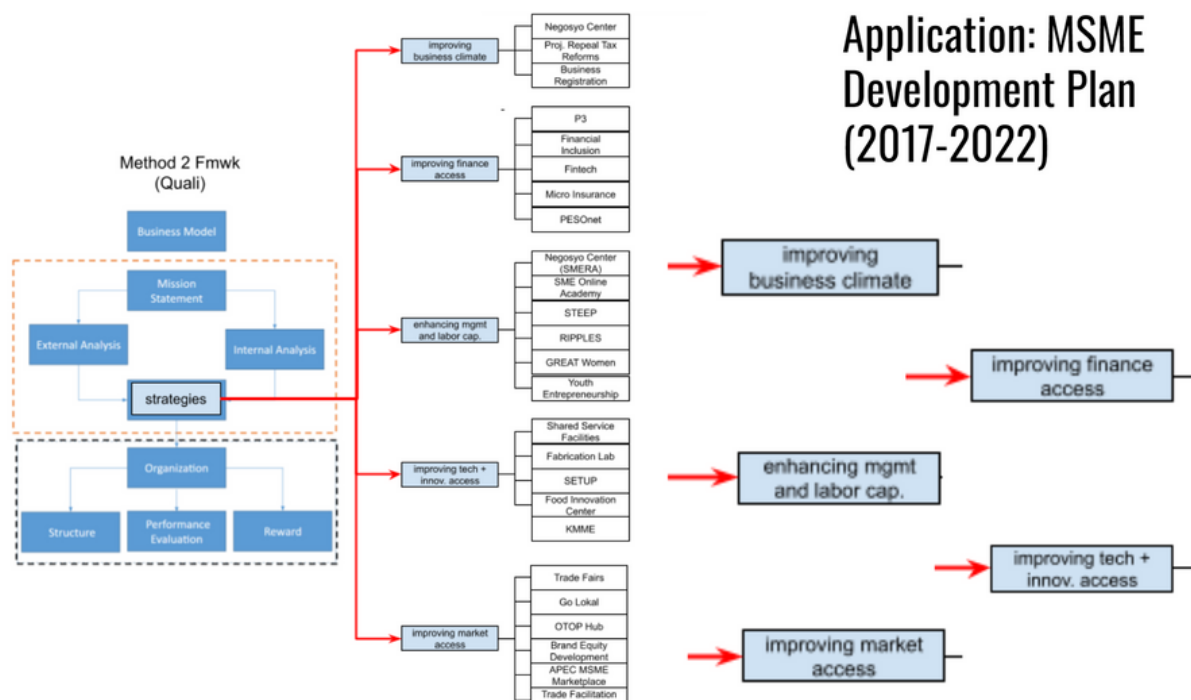
DR. Max Maquito (CPAf/UPLB, SGRA/AISF)

- The targets for the different key performance indicators, where in the plan, some indicators do not even have targets to begin with. Some key observations made on the organizational infrastructure were: the lack of compensation mechanism, this was not asked in the survey; there appears to have a weak incentive to monitor and evaluate. There were no targets and, in some instances, no baseline data for KPIs.
- There were many programs with high ratings but also high don't know rates. This may have been due to the allocation of tasks and also to the samples that responded in the survey.
- There was also no clear idea of the contribution of each strategic KPI to the overall KPIs. As a recommendation the following were considered: strategic allocation of resources that would focus on top three flagship programs that have high relative ratings and positive correlation with at least one of the overall KPIs (employment, registration and profit). Performance of flagship programs will be monitored and the allocation of resources will be dependent on its performance culling out those that do not. Flagship programs that have high don't know rates should be marketed more aggressively to reduce public ignorance on these.
- Monitoring of programs should also be upgraded in terms of scope and frequency of collection and should be ingrained in the MSMEDC's operations. Regional KPIs assigned to the implementing agency must also be considered to generate more data from an increased monitoring frequency. Also related to the upgrading of the ME system, a scheme for rapidly surveying DTI's network of MSMEs should be considered, if not developed. The study have shown that it was easy to collect data in a short span of time only if the right strings for respondents are pulled. Lastly, graduation of MSMEs from their current level to the next should be given more focus as this generally mean more profit, more employment and therefore more shared growth.

Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

DR. Max Maquito (CPAf/UPLB, SGRA/AISF)



Recommendations

1. Strategic allocation of resources to flagship programs



Presentation 1

PRESENTATION 1 | AN ORGANIZATIONAL ARCHITECTURE APPROACH TO THE MSME DEV'T PLAN

DR. Max Maquito (CPAf/UPLB, SGRA/AISF)

Dr. Max Maquito

PRESENTOR



In his "previous life", Dr. Ferdinand C. Maquito (nickname: Max) was a mechanical engineer at a state-owned shipyard, after finishing his BS at the Engineering Department of the University of the Philippines, Diliman. A scholarship enabled him to shift specialization and earn his MS Industrial Economics from the Center of Research of Communication (now within the University of Asia and the Pacific). Right after which, he was able to get into the Japanese Ministry of Education scholarship to get into the PhD in Economics program of the University of Tokyo. A scholarship from the Atsumi International Foundation enabled him to finish his doctorate in Economics. Even while living in Japan, he regularly organized shared growth seminars in the Philippines with the collaboration of various institutions. He was an Adjunct Professor in Temple University Japan campus, before coming back to the Philippines to join CPAf, where he is now an Assistant Professor, hoping to spend, more fully, his remaining professional years for the service of his country. His long stay in Japan, and working with the Sekiguchi Global Research Association of the Atsumi International Foundation have fueled his lifelong research and advocacy on sustainable shared growth.

E-Mail: maquito.uplb@gmail.com

DISCLAIMER

The opinions expressed in the presentations are solely those of the authors. They do not purport to reflect the views or opinions of the institutions with which the authors are affiliated.

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMEs: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)



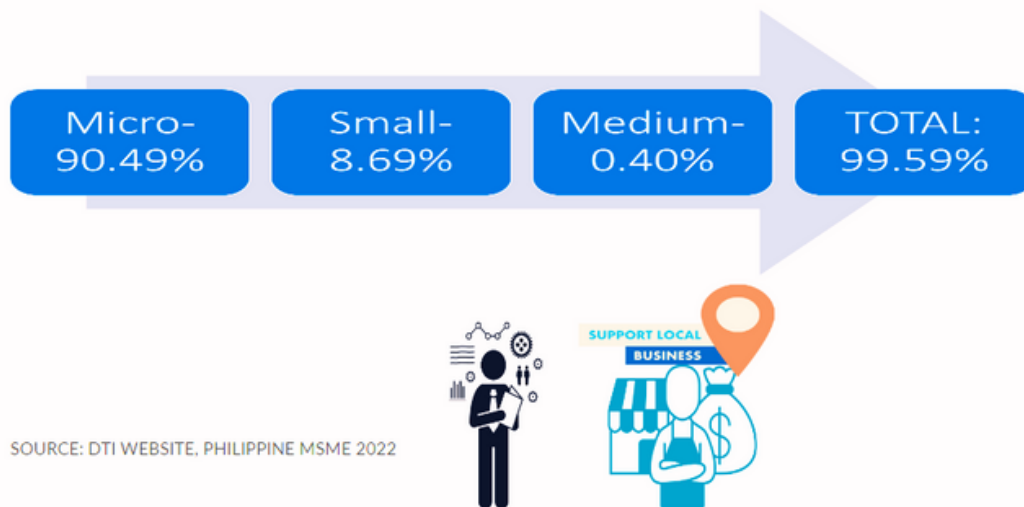
- Productivity Interventions
- Challenges Faced by MSMEs in Improving Operations and Productivity
- Success Stories
- Conclusions and Learnings
- Moving Forward

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMEs: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

MSMEs: 1,105,143 (99.59%)



Micro, small, and medium enterprises (MSMEs) are defined and categorized as:

By Asset Size:

Micro	Up to P3,000,00
Small	P3,000,001 – P15,000,000
Medium	P15,000,001 – P100,000,000
Large	Above P100,000,000

Alternatively, MSMEs may also be categorized based on the number of employees

By Number of Employees:

Micro	1 – 9 Employees
Small	10 – 99 Employees
Medium	100 – 199 Employees
Large	More than 200 Employees

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMEs: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

- The second presentation discussed business operations and productivity for MSMEs: a regional context that underscores the need for decentralization of MSMEs in the regions.
- As most of our MSMEs operate from the comforts of their own homes, from garages, to tiny spaces in their houses allotted for their operations they encounter a myriad of problems as identified by our speaker: from lack of licenses to operate, to poor manufacturing practices, and even to lack of knowledge in production standards like HACCP as encountered by our food processors. These put their operations at a disadvantage, not to mention the disadvantage these put on their consumers particularly on food safety issues.
- In manufacturing, our MSMEs face problems on lack of access to state-of-the-art equipment, and, even if they do, these machines are underutilized due to poor knowledge on their optimization. Downtimes occur too for lack of maintenance.
- Across the board, our MSMEs need retooling not only in the physical aspect but also in the management sense. As opposed to large enterprises, most of the decentralized MSMEs in the regions do not have operational systems, are mostly micro and do not have established organizational structures, do not have established product and process standards, do not have monitoring and quality control systems, and do not have the needed resources to hire consultants of their choice.

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMES: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

CHALLENGES			
CHALLENGES	LUZON	VISAYAS	MINDANAO
Limited access or no access to new technology	S	G	G
Limited capital to acquire new machines or improve structure	G	G	G
Low educational attainment of owners	G	G	G
Low educational attainment of workers	G	G	G
Majority are on a one man show; very lean organization	G	G	G
Limited access to better support for infrastructure	S	G	G
Attitude of Owners-Ability of Owners to Manage Change	G	G	G
Infra and logistics concerns: Roads, logistics, transportation facilities, packaging materials specially the ones in Visayas and Mindanao and those in the islands	S	G	G
Resistance of Employees to Change	G	G	G
Health and Personal Issues	S	S	S
Budget Constraints	G	G	G
No succession planning	S	G	G
One-man show – organization is very lean thus implementation becomes a problem since the Owner does everything among other functions	G	G	G
Time Management	G	G	G
Natural Calamities	G	G	G
Limited ability to Pivot; No knowledge on Digital Marketing	G	G	G

Legend:

S – slightly applicable

G – greatly applicable

NA – not applicable

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMES: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

PPC/STANDARDIZATION			QC/MHE/SCHEDULING		
Product	Intervention	Impact	Product	Intervention	Impact
	Provision of a working drawing	↓ 75% of fabrication time & rework Before: 45 days - fab After: 30 days		Provision of push carts	↑ 25% of product yield, savings of P288,000 per year
	Installation of PPC group	↑ 80% of On-time delivery rate		Implementation of QC standards and proper monitoring	↓ 70% of rejects and bad orders; P25,000 per month
	Monitoring of production yield	↑ lost sales avoidance of P108,000 per product x 22 products = P2.3M		Proper scheduling of collections and deliveries	↓ fuel consumption = P12,000 per annum
ENERGY MANAGEMENT/MATERIALS MANAGEMENT			SOP/STANDARDIZATION/ENERGY MANAGEMENT		
Product	Intervention	Impact	Product	Intervention	Impact
	Replacement of diesel fuel to biomass	↓ set-up time by 1 hour & ↓ fuel consumption; 3,500/month		Process standardization of the washing operation	↓ waste water; Savings of P230,000 of the water bill for 3 months = P920,000 per annum
	Proper monitoring and provision of storage for raw materials	Avoidance of material pilferage; amounting to at least P20,000 – P50,000 per month		Installation of a hose nozzle and standardization of the washing process	↓ waste water; P2,500/month Avoidance of penalties from DENR, pegged at P10,000 per day per violation
	Proper monitoring and control of raw materials	Correct and timely purchasing of raw materials; Savings of P80,000 – P120,000 per year		Acquisition of a more efficient oven with compartmentalized control	Savings of P360,000 per year
				Acquisition of a gasifier cooking stove	Savings of P240,000 per month
ENERGY MANAGEMENT/FOOD SAFETY			FINANCIAL/STANDARDIZATION/HUMAN RESOURCE MANAGEMENT		
Product	Intervention	Impact	Product	Intervention	Impact
	Acquisition of an industrial steamer	↓ 60% steaming time; from 6 hours to 2.5 hrs Savings of P400,000 per year		Provision of gloves	↑ output from 100kg to 300kg per month ↑ 200% output
	Disallowing charging of cellphones of 60 employees	With 50% of them having 2 cellphones: Php 20*90 cellphones * 26 days Savings =Php 46,800/ month ↓ =Php 561,600/ year		Proper monitoring of costs and correct product costing	Avoidance of lost sales of P675,000 per year
	Disallowing the use of cellphones during operations	Before: 100 packs 50% ↑ After: 150 packs per day		Improved Productivity through increased output; Implementation of a quota system	Before: 40 pieces per day ↑ After: 200 pcs. per day ↑ 400% productivity increase
	Improved handling material for Banana Chip; discontinued the use of manila paper for drying	↑ Increased Shelf life up to 2 months			

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMEs: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

WHAT DOES IT TAKE TO JOIN THE ROSTER OF SUCCESS STORIES?

- Accept or acknowledge the fact that there is still a lot to improve in your facility.
- Have an open mind and believe that there is always a better way.
- Commitment.
- Do one thing at time.
- Include, encourage & empower your people/support staff.
- Do not be afraid to ask questions or guidance from any Expert.
- Embrace positive change.
- Start today!



At the DOST, we had the pleasure to work with Ma'am Baby and her consulting firm, Summit Consultancy, in several occasions in providing consultancy services to MSMEs in Romblon as well as in several provinces of the MIMAROPA Region. Their work proved beneficial to our MSMEs as MSME success stories have been gathered after these MSMEs received advice and implemented them. Consultancy services is only one of the several interventions needed by MSMEs but one that is needed foremost before other interventions must be implemented.

It is indeed noteworthy that these decentralized consultancy services proved beneficial to MSMEs and may just pave the way to the shared growth that this seminar series would like to showcase and attain.

DISCLAIMER

The opinions expressed in the presentations are solely those of the authors. They do not purport to reflect the views or opinions of the institutions with which the authors are affiliated.

Presentation 2

PRESENTATION 2 | BUSINESS OPERATIONS AND PRODUCTIVITY FOR MSMEs: A REGIONAL CONTEXT

Eng'r Baby Reyes Lim (Summit Consultancy and Research Services)

Engr. Baby Reyes Lim

PRESENTOR



Engr. Baby Reyes Lim a.k.a. Geraldine Lim is a Professional Industrial Engineer and an ASEAN Engineer. She has worked with and assisted a total of more than one thousand three hundred MSMEs throughout the country in the last 3 decades to better their operations and increase productivity. Her partnership with the Department of Science and technology working as a Third -Party Consultant or as A Resource Speaker the agency's Consultancy Program has helped MSMEs in the countryside fine tune their operations and improve over-all business efficiency. She has also trained more than eighty (80) Productivity Consultants throughout the different Regions nationwide. As a Certified Food Protection Manager under the US NRA ServSafe System, she has trained and designed more than 20 food processors and designed more than 20 food processors and commissaries and assisted them in their

more than 20 food processors and commissaries and assisted them in their journey towards getting a License To Operate (LTO) from FDA.

She regularly serves as a Resource Speaker for the seminar-workshop on Pand Innovation and Food Production Quality Methods, Capital Concepts, Product Costing, and Pricing Methods, Facility Planning and Proper Plant Layouting, Basic Food Safety, Financial Management and Projections, Basic Ergonomics and its Applications, How to Conduct a Feasibility Study, Introduction to Good Manufacturing Practices (GMP), 5S (workplace and office modules), Productivity Tools, Work Study and Measurement, Integrated Plant Survey, and Strategic Planning in both public and private sector. Other Key Areas of Specialization are: Basic Ergonomics, Productivity Studies, Work Measurement, Lay-out and Facilities Planning, Financial Planning, Food Safety and Food Processing, Productivity, Lean Management.

During her teaching career as a Faculty Member of the Industrial Engineering Department-University of San Carlos, Cebu she handled the following subjects: Feasibility Study, Cost Accounting, Financial Management, Basic Accounting, Human Resource Management, Ergonomics, Ethics, and Quality Control. Currently the Managing Director of Summit Consultancy and Research Services.

E-Mail: gbrlim@yahoo.com

Discussion

Dr. Bil Servanez
(Romblon State University)



Here is an ABC in the context of distribution of MSMEs across the country's regions and isolated provinces like my province:

- A – Adaptation to geographic isolation. Islands and remote areas face geographic isolation; decentralization adapts to this by distributing MSMEs across different parts of the region.
- B- Bridging economic disparities. Decentralization aims to bridge economic disparities by distributing economic activities and opportunities across remote regions or various parts of the islands.
- C- Cultural considerations and community engagement. Respect for local cultures and traditions is crucial; community engagement empowers local communities in the development and growth of MSMEs.
- D – Diversification for resilience. Diversifying economic activities across the region enhances the resilience to external shocks, reducing dependency on a single economic center.
- E – Environmental sustainability and resource utilization. Harnessing resources sustainably aligns economic activities with environmental conservation efforts in island contexts.

Discussion

Dr. Bil Servanez
(Romblon State University)

- F – Focus on infrastructure and connectivity. Investments in improving infrastructure and connectivity are essential to facilitate the movement of goods, services, and information more particularly market information.
 - G – Glocal innovation and self-sufficiency. Decentralization encourages local innovation that supplants imports and enhancing self-sufficiency while addressing unique challenges and promoting economic independence.
 - H – Heritage for tourism and niche markets. Leveraging unique island attractions and heritage encourages the development of businesses catering to tourism and niche markets.
 - I – Inclusive development. Inclusivity is promoted by decentralizing MSMEs, ensuring that economic benefits are spread across different parts of the regions and even in remote islands.
-
- Marble is still the first thing that comes to mind when the province Romblon is mentioned.
 - Our marble was so popular in those days that everyone wants to have a piece of our products. From novelties to tiles to the crushed powder used to line tracks in sports ovals. The Romblon pier was abuzz with activity every time a boat docks as our products are being loaded. I knew some folks from my hometown, Calatrava, who went to Romblon to become marble workers hoping to provide better opportunities for their families. They went back when the industry crashed in the 90s with the advent of ceramic tiles. Romblon used to have a movie house and a bowling alley in those days. That is how affluent the capital town is. We would all be happy see back the glory days of Romblon marble.

Discussion

Dr. Bil Servanez
(Romblon State University)

Now, what has the RSU and other agencies done for the marble industry?

- In the 90's the DOST provided small equipment for lapidary, a set of equipment for manufacturing marble beads for rosaries or fashion. Since then the DOST had the SETUP program and assisted marble MSMEs in upgrading their operations.
- From 2017–2020, the College of Engineering and technology students conducted research on marble as a concrete strength enhancer. They also conducted research on the mechanical properties of marble taken from different quarry sites in Romblon.
- From 2020 up to the present, RSU, under the new administration of President Merian P. Catajay-Mani, included marble as one of the research commodities.
- We now have state of the art, industry standard marble processing equipment. We could now offer a marble technology course that would lead to industrial engineering or mechanical engineering.
- We have followed through the CHED initiative with a proposal for the establishment of a marble pulverizing plant for manufacturing ground calcium carbonate submitted to the DOST. We were approved for 2.4M for the purchase of an industry standard marble pulverizer
- Grading our marble products will not only give distinction to our products but will provide quality assurance that our products could perform under the intended use.
- Machine development is one area needed by our processors. We could do that too to increase the value of our products. Machine-made products fetch real value. We could not afford to import all our equipment. We need to manufacture them right at home and provide the state-of-the-art the industry needs.

Discussion

Dr. Bil Servanez
(Romblon State University)

Dr. Bil Servanez

DISCUSSANT



DR. BILSHAN F. SERVAÑEZ worked with micro, small and medium enterprises employed with the Department of Science and Technology in Romblon. He promoted technology transfer and commercialization under the DOST flagship program “Small Enterprise Technology Upgrading Program,” and had the highest number of bankable SETUP projects in the region before his transfer to the DOST MIMAROPA Regional Office. He retired from DOST and served as Dean of the College of Engineering and Technology (2018) and Vice President Research, Extension, Development, and Innovation (REDi, 2020) of Romblon State University. He retired in 2022 but was rehired by RSU to lead the Center for Innovative Learning and Enterprise Development (CiLearnED@RSU). He fosters the entrepreneurial mindset among students and from his training on Innovation and Enterprise in Singapore, spearheaded the creation of school factories in the university for teaching entrepreneurship in real work environments.

E-Mail: bilshanfs@gmail.com

CLOSING REMARKS

Dean Joane Serrano, Ph.D.



Isang maalab at mapagpalayang tanghali sa inyong lahat!

As we close this program, I would like to take this opportunity to thank everyone, especially our main presenters: Dr. Max Maquito from our sister CU and college, the College of Public Affairs and Development of UPLB; Engr. Baby Reyes Lim, the Managing Director of Summit Consultancy and Research Services; our panel discussant: Dr. Bilshan F. Servanez, Professor from Romblon State University, colleagues from UP Los Baños, UPOU faculty members and staff, participants, and our Project LAKBAY fellows.

Thank you also to Ms. Junko Imanishi, the Chief Representative of Sekiguchi Global Research Association and the Managing Director of our partner for this seminar: the Atsumi International Foundation, and the seminar Chair and Program Chair of D/MLVM of UPOU, Prof. Cesar Luna.

The theme of today's seminar is on decentralization and MSMEs. Throughout the discussions, we have shared key insights from a recent research project focusing on the Micro, Small, and Medium Enterprise Development Plan or the MSMEDP of the Philippine government. As we draw inspiration from the valuable insights derived from the Japanese experience and the role of SMEs in Japan's Development, we underscore the indispensable role of a robust MSMEs sector in achieving collective and sustainable growth.

As you all know, the University of the Philippines as the national university of this country and where UPOU and UPLB are part of as constituent universities is committed to fulfill the 2030 agenda for sustainable development and continues to work towards the realization of the SDGs, specifically SDG 8: decent work and economic growth.

We, at the Faculty of Management and Development Studies of UPOU, are also committed in achieving other SDGs through our diverse academic and continuing education programs which is a collective of various disciplines spanning from health to the environment to management and to the development fields. Our Faculty deals with policy, program and development concerns related to environment and natural resources management, land valuation, research and development, nursing, international health, social work, public management, entrepreneurship and ASEAN studies. These thematic areas have become the teaching, research, extension and public service areas of the FMDS over time.

CLOSING REMARKS

Dean Joane Serrano, Ph.D.



In today's seminar, we put emphasis on efficiency, equity, and environmental friendliness or the 3Ks (Kalikasan, Katarungan, Kahusayan) – such concepts closely related to sustainability and resiliency where the research and public service programs at FMDS are inherently focused on. A decentralized economy with a strong MSME sector can be more resilient to economic shocks. The diversification of economic activities across regions, particularly through a network of small businesses, can help mitigate the impact of economic downturns in specific sectors.

Therefore, we must consider engaging in this seminar as a practical application of technology transfer activity. The transfer of research findings and technological advancements to the business sector and even to the general public allows for increased public awareness and for MSMEs to adopt new technologies to improve their operations. This has become instrumental in enhancing the productivity, efficiency, and competitiveness of our MSMEs. Additionally, this seminar shows how the concept of decentralization can empower local governments and communities to make decisions that directly impact their economic development. A vibrant MSME sector at the local level can contribute to job creation, income generation, and overall economic growth in diverse regions of the country, for instance, the Philippines.

As mentioned earlier by our panel discussant, it is noteworthy to consider, if not develop policies, that are pushing for the growth of our MSMEs and decentralization. As Filipinos and responsible global citizens, we should ask ourselves a very important question: why decentralization matters?

MSMEs are the lifeblood of our economy, representing the entrepreneurial spirit that defines our nation. These small businesses are powerful engines of job creation, innovation, and community development. By supporting and nurturing our MSMEs, we build resilient local economies that contribute to a stronger, more vibrant Philippines.

And so, before I end my speech, I hope that our Project LAKBAY fellows, particularly our Taiwanese youth and participants, have learned something about our MSMEs sector and the various rich business groups present in our country – what are the challenges faced by our entrepreneurs and perhaps how can you, in your own context and attributes, and how us as neighboring countries, could work hand-in-hand in contributing to the productivity and prosperity of Filipino entrepreneurs. I think we can all agree that we have seen many areas for collaboration during this sustainable shared growth seminar.

CLOSING REMARKS

UPOU Home Page: upou.edu.ph/home

Dean Joane Serrano, Ph.D.



Together, we can build a nation where every region thrives, and every entrepreneur has the opportunity to succeed and increase the value of their products and services.

Thank you for joining us today, and I wish you all a productive day ahead!



Joane V. Serrano, PhD, is a professor of the University of the Philippines Open University (UPOU). She serves as the current Dean of the Faculty of Management and Development Studies. She obtained her Bachelor of Science in Development Communication, Master of Management Major in Development Management, and Doctor of Philosophy Major in Development Management, and Doctor of Philosophy Major in Development Communication from the University of the Philippines Los Baños. She teaches Environmental Advocacy, Communication of Scientific and Technical Information, and Socio-Cultural Perspectives on the Environment.

She has a wide array of research interests including sustainability, socio-cultural perspectives on the environment, development and environmental communication, health promotion, gender and indigenous knowledge, and open and distance eLearning (ODEL). She is currently the editor in chief of the UPOU-managed Journal of Management and Development Studies. She has published more than 30 publications, presented in 90 conferences, and more than 60 public service engagements. Her recent international engagements are Won by Walking Network initiated by University of Gothenburg, University of Plymouth, Abo Akademi, University of Uulu funded by Riksbanken Jubileumsfond; Digital Trust and Intuition with focus on Sustainability with Ostafalia University, and Satoyama Initiatives with International Partnership for Satoyama Initiatives and Satoyama Development Mechanism. As part of her commitment to lifelong learning and sustainability, Dr. Serrano continues to find ways of discovering innovations that will help improve education and research practices in the Philippines.

E-Mail: jserrano@upou.edu.ph

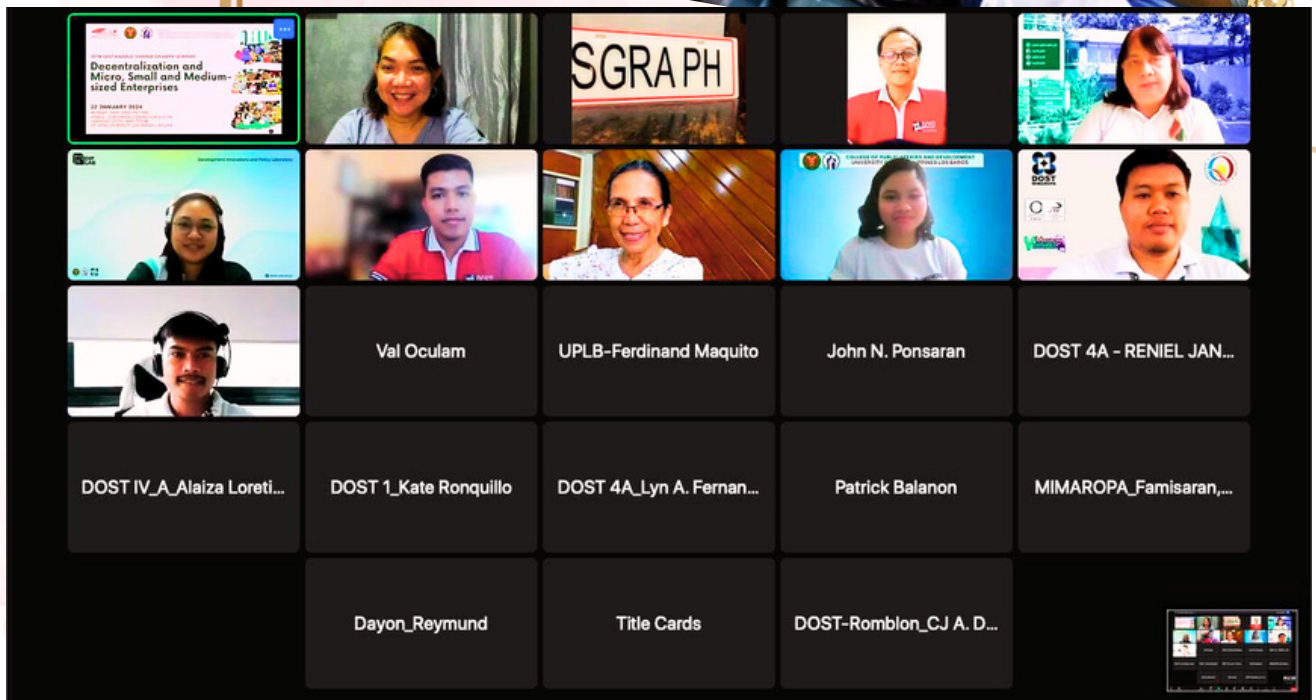
GALLERY



GALLERY



GALLERY



GALLERY



**Honor and Excellence in
Public Service!**

NEXT STEP

MARCH 2024

Decentralization (Butuan Case) 地方分権化の事例

SUSTAINABLE SHARED GROWTH SEMINAR #40



**THE 7TH
ASIA FUTURE CONFERENCE**
第7回アジア未来会議

**REVITALIZATION
AND
RECONNECTION**
再生と再会

AUGUST 9 (FRI) ~ 13 (TUE), 2024
CHULALONGKORN UNIVERSITY
BANGKOK, THAILAND
LANGUAGE : ENGLISH, JAPANESE

CALL FOR PAPERS
[HTTPS://WWW.AIF.OR.JP/AIC/2024](https://www.aif.or.jp/aic/2024)
(OPEN ON MAY 1, 2023)

The Asia Future Conference aims to provide a platform for researchers and scholars who have studied in Japan or who are interested in Japan to meet and discuss the future of Asia. The AFC is interdisciplinary at its core and encourages diverse approaches to global issues. The AFC is not a conference for a specific field of study, so please try to make your presentation comprehensible to a general public.

HOST: ATSUMI INTERNATIONAL FOUNDATION SEKIGUCHI GLOBAL RESEARCH ASSOCIATION (SGRA)
主催: 公益財団法人澁田国際交流財団アソシエーション(SGRA)

CO-HOST: JAPANESE SECTION, CHULALONGKORN UNIVERSITY
共催: チュラロンコン大学文学部東洋言語学科日本語講座



Source: SGRA website (see QR code)

ACKNOWLEDGEMENTS

Behind-the-Scene Assistance

- Karen Janiya
 - CPAf/UPLB
- Lenie M. Miro
 - SGRA PH



**We thank you for your
continued support in our efforts
to contribute to Sustainable
Shared Growth.**



©SEKIGUCHI GLOBAL RESEARCH ASSOCIATION JAN 2024

CHIEF EDITOR | MAX MAQUITO
maquito.uplb@gmail.com

ASSOCIATE EDITOR | LENIE M. MIRO
sgraphil@gmail.com

**SUSTAINABLE
SHARED GROWTH
SEMINAR #39
REPORT**

