



PROJECT NOTIFICATION

Reference No.: 736

Date of Issue	7 November 2025
Project Code	25-CL-10-GE-WSP-A
Title	Workshop on Human Capital Management in SMEs
Timing	27 January 2026–30 January 2026
Hosting Country(ies)	Pakistan
Venue City(ies)	Karachi
Modality	Face-to-face
Implementing Organization(s)	National Productivity Organization, Pakistan
Participating Country(ies)	All Member Countries
Overseas Participants	19
Local Participants	6
Closing Date	15 December 2025
Remarks	Not Applicable

Objectives	Enhance understanding of human capital management (HCM) as a strategic approach for improving competitiveness, productivity, and resilience in SMEs; discuss issues and challenges of HCM in the digital transformation era; and develop practical frameworks and tools to align workforce strategies with business goals.
Rationale	Supporting SMEs' competitiveness and resilience is a key APO focus area as the backbone of most member economies. For SMEs to thrive, HCM is essential for navigating a rapidly changing environment characterized by limited financial resources, technology disruptions, and labor shortages. This workshop is timely for the APO to review the HCM framework to enhance SMEs' human resource (HR) strategies.
Background	HCM transforms traditional HR functions such as recruitment, training, payroll, and performance management into strategic opportunities to enhance employee engagement, productivity, and overall business value. HCM views the workforce not merely as a cost of doing business but as a core asset whose value can be maximized through strategic investment and management. By focusing on human capital as a source of value creation, business leaders are encouraged to develop and implement workforce strategies closely aligned with corporate goals. SMEs, which account for around 70% of employment in APO members, face common workforce challenges including skill gaps, weak talent development systems, and limited governmental support for capability building (2025 APO Report on SME Productivity and Innovation in Asia). HCM strategies could serve as a solution for SMEs to address these challenges, enabling them to remain competitive amid rapid technological change and intensifying global competition.
Topics	HCM concepts; Workforce planning and strategic alignment with business goals; Impact of digital transformation, AI, and the future of work on HCM; Effective skill development systems for SMEs; Observational site visit; and Discussion on potential HCM frameworks for SMEs.
Outcome	More SMEs in APO member economies report measurable improvements in productivity, workforce retention, and operational efficiency through the application of HCM tools and approaches.
Qualifications	SME owners, managers, and HR practitioners; officials from NPOs or SME development agencies; representatives of SME associations; and academics working on HCM frameworks.

Please refer to the implementation procedures circulated with this document for further details.



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