

Table-001 Number and geographical distribution of
TVET (Technical and Vocational Education and Training)

No.	Region	Public	Private	NGO	Total	No. of CRC
1	Tigray	26	26	3	55	5
2	Afar	4	0	0	4	0
3	Amhara	58	46	1	105	12
4	Oromiya	103	125	5	233	18
5	SNNP	20	67	5	92	5
6	Harari	2	6	0	8	0
7	Somali	5	2	0	7	0
8	Dire Dawa	2	6	0	8	0
9	Benishangul	2	5	0	7	0
10	Gambela	2	6	0	8	0
11	Addis Ababa	33	234	20	287	8
Total		257	523	34	814	48

Table 002 List of Cluster TVET and Number of Satellite TVET

Region	Regional No.	Cluster Resource Center of TVET	Satellite TVET		
			Public	Private & NGO	Total
Oromiya	OR-1	Adama TVET College	4	20	24
	OR-2	Ath. Kenenisa B. TVET College	11	11	22
	OR-3	Robe TVET College	6	6	12
	OR-4	Bule Hora TVET	1	3	4
	OR-5	Haremaya TVET College	4	2	6
	OR-6	Nekemte TVET College	6	13	19
	OR-7	Sebeta TVET Institute	4	6	10
	OR-8	Adola TVET Institute	3	4	7
	OR-9	Shambu TVET College	3	4	7
	OR-10	Metu TVET College	7	3	10
	OR-11	Jimma TVET College	6	8	14
	OR-12	Dona Berbera TVET	2	3	5
	OR-13	Fitche TVET Institute	5	5	10
	OR-14	Shashamene TVET College	4	11	15
	OR-15	Weliso TVET College	3	4	7
	OR-16	Chercher TVET College	2	4	6
	OR-17	Ambo TVET College	6	10	16
	OR-18	Gimbi TVET College	8	13	21
	Sub-total		85	130	215
Amhara	AM-1	Bahir Dar TVET College	4	20	24
	AM-2	W/ro Siheen TVET College	7	6	13
	AM-3	Woldiya TVET College	5	2	7
	AM-4	Gonder TVET College	6	4	10
	AM-5	Debre Birhan TVET College	4	3	7
	AM-6	Debre Markos TVET College	4	5	9
	AM-7	Injibara TVET College	3	3	6
	AM-8	Burie TVET College	2	1	3
	AM-9	Kombolcha TVET College	3	1	4
	AM-10	Nefasmewcha TVET Institute	2	1	3
	AM-11	Debre Tabor TVET College	3	1	4
	AM-12	Ataye TVET Institute	3	0	3
	Sub-total		46	47	93
SNNP	SN-1	Wolkite TVET College	3	3	6
	SN-2	Hossaena TVET College	3	7	10
	SN-3	ArbaMinch TVET College	3	10	13
	SN-4	Durame Ind. Technology College	3	18	21
	SN-5	Hawassa TVET College	3	34	37
	Sub-total		15	72	87
Tigray	TG-1	Shire Agricultural College	3	2	5
	TG-2	Axum Bussiness College	7	3	10
	TG-3	Adigrat Industry & Construction College	2	2	4
	TG-4	Wukro Agricultural College	5	18	23
	TG-5	Maichew Technic College	4	4	8
	Sub-total		21	29	50
Addis Ababa	AA-1	General Wingate TVET College	Under re-scrutinizing	Under re-scrutinizing	
	AA-2	Misrak TVET College			
	AA-3	Entoto TVET College			
	AA-4	Nifas Silk TVET College			
	AA-5	Tegbareid TVET College			
	AA-6	Minilik II Medical College			
	AA-7	Central Medical College			
	AA-8	Betel Medical College			
	Sub-total		25	254	279



KAIZEN Newsletter



Quality and Productivity Improvement Project in Ethiopia

Vol. 1 7th August 2009

Quality and Productivity Improvement (KAIZEN) Project is starting in Ethiopia

Government of Ethiopia and Government of Japan agreed to conduct a Development Study on quality and productivity improvement (KAIZEN) in Ethiopia. Accordingly, the Japan International Cooperation Agency (JICA) and Ministry of Trade and Industry (MoTI) in Ethiopia will be responsible for the implementation.

Kaizen, in Japanese management, means “continuous improvement” of productivity and quality without additional cost, in a participatory process and a bottom-up approach. This management practice method has spread among Japanese companies in Japan and abroad. JICA has also offered assistance for Kaizen to many developing countries in Asia and Latin America in particular.

There are three objectives with the KAIZEN project. The first is to formulate a national plan to enhance both quality and productivity in industrial sector. The second is to produce a manual for explaining and guiding these activities. And the third is to transfer relevant skills and techniques to the staff members of the Kaizen Unit in the Ministry of Trade and Industry (MoTI).

The Government of Ethiopia and Japan have already signed a official document, Scope of Work of this project. Consequently, the Kaizen Unit has already been set up in MoTI and is under pre-training now.

This project consists of three phases. The first phase is supposed to begin in August 2009

Schedule of KAIZEN project

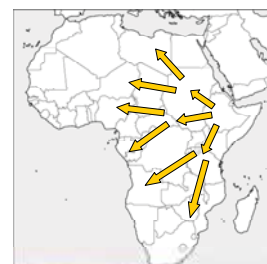
2009					2010								2011								
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5
Review					Pilot Project (30 companies)								Dissemination								

and in the phase, the present situation on quality and productivity improvement activities in Ethiopian industry will be reviewed and preliminary diagnosis of factories will be done. Then, the preparation for a pilot project will be undertaken by selecting appropriate methodology and 30 pilot companies.

The pilot project will be implemented in the second phase. A JICA study team will visit the pilot companies to diagnose the situation, and give guidance on KAIZEN activities with the staff members of the Kaizen Unit in MoTI. The progress will be monitored by periodic visits and the pilot project will be evaluated and recommendations will be made to the factories concerned.

In the third phase, JICA will prepare a national plan for enhancing activities on quality and productivity improvement (Kaizen) including an action plan as well as a manual in order to spread out the KAIZEN movement at a national level.

JICA's cooperation for KAIZEN is the first case in Sub-Sahara Africa. The experience and the results of project will be an useful basis for disseminating KAIZEN concept to other African countries in future.



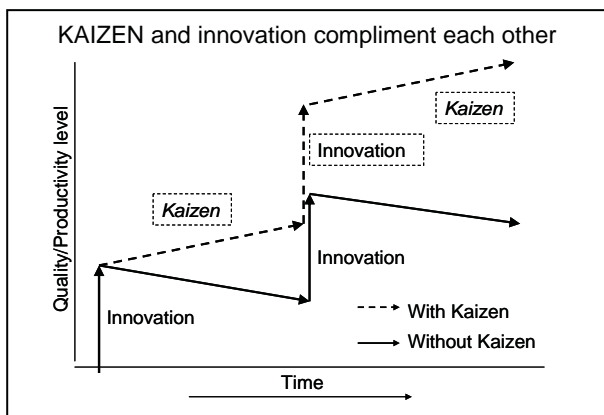
What is “KAIZEN”?

"KAIZEN" is a Japanese term meaning "change for the better". Applied to business organizations, it implies continuing improvement involving everyone that does not cost much, if any money.

Key Concepts of KAIZEN

Some main concepts are raised as below:

- “If no money, use your brain”: An effort to improve productivity, quality and cost without additional investment (= no new machines) first
- Participatory: Top/senior management, middle management, supervisors, and workers – all need to participate to continuously improve.
- Bottom-up: specific ideas of improvement come from the front-line (e.g. factory floors).
- Emphasis on process as well as results.

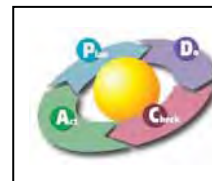


- Incremental Improvement: KAIZEN do not seek drastic changes to be called as innovation but daily incremental changes. Therefore, innovation and KAIZEN can compliment each other.

Method of Implementation

In the cycle of KAIZEN activity, certain requirements are set for each operation (Plan), new method or improvement is invented and

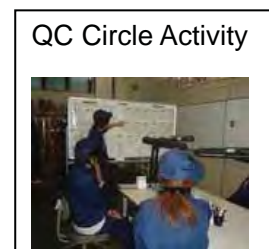
adopted (Do), Result of the change is measured (Check), and the new method is standardized (Act). The cycle continues infinitely and known as PDCA cycle.



- Example: Changeover improvement
An example of concrete improvement is reduction of changeover time of dies or molds for press or molding. In philosophy of Japanese management, time of changeover does not contribute to any value added by itself and it is waste. In KAIZEN activities, target time of changeover is set, concrete process of changeover and actual time is measured and visualized, and potential improvements are identified.

Examples of KAIZEN Activity

- QC circles
They are voluntary groups formed in workplaces to involve employees in productivity and efficiency improvement activities, adopting a team-based environment in which they can participate actively in improving their process, product, or service performance.



- 5S
5S is a method for organizing a workplace, especially a shared workplace (like a shop floor or an office space), and keeping it organized. 5S stand for Japanese words below that start with S.
Seiri (sort), Seiton (systematize), Seiso (sweep), Seiketsu (standardize), Shitsuke (self-discipline)
- TQM, TPM, Just In Time, Kanban, etc.

Issued by: Quality and Productivity Improvement (KAIZEN) Project, MoTI / JICA
 MoTI: (Tel: +251-11-629-3475) / (E-mail: bmea@ethionet.et)
 JICA: (Tel: +251-11-550-4755) / (E-mail: el_oso_rep@jica.go.jp)



KAIZEN Newsletter



Quality and Productivity Improvement Project in Ethiopia

Vol. 2 October 22, 2009

Message from the Japanese Ambassador for the launch of Kaizen project

I have been long awaiting the day when a “Kaizen” project would be started on the ground in Ethiopia. Ethiopian and Japanese experts have now just begun their collaborative work to implement the project here. My dream is that select companies will emerge to introduce the “Kaizen” system at the pilot phase in the near future and that some of them will be from among the world’s top companies in their respective sectors. I also dream that the results of the efforts of the companies through the “Kaizen” exercise will be visible to everyone; managers, workers, customers and the society as a whole. Thus, finally, “Kaizen” will be widely applied to the whole industrial sector and beyond in Ethiopia, just as in Japan, and leave a real impact on the path of industrialization in the country.



It has already been more than a year since the first intellectual dialogue between a group of Japanese top development economists and Ethiopian Government officials and economists was held here in Addis Ababa. The whole idea was to exchange views and ideas for supporting Ethiopia’s efforts in implementing a development strategy and industrialization policy by way of sharing Japanese and Asian experiences. So far, through this intellectual discourse, issues such as ADLI (Agricultural Development-Led Industrialization), DD (Democratic Developmentalism) export-oriented industries as well as an Import Substitute Industries’ Support Policy, industrial aggregation such as

“growth corridors”, “industrial parks” etc. have already been fully discussed. Ideas and proposals coming out of the dialogue have started influencing policies and programs on both sides of the dialogue, including the Japanese side’s development cooperation program implemented by JICA.

The “Kaizen” project is just one of the proposals emanating from the dialogue. Another is to mobilize a JOCV program (Japanese Overseas Cooperation Volunteers) for skill promotion on the factory floor. “Kaizen”, like benchmarking and business process reengineering (BPR), is a method for changing structures and mind-sets in the manufacturing sites to improve quality and increase productivity. These methods, however excellently put in place, cannot produce the expected results without the accompanying skills on the part of engineers, technicians and workers. JOCV Japanese junior experts, now deployed throughout the country, are engaged in sharing a wide range of expertise, including personal computer instruction, and science and mathematics education. We are discussing how best these young professionals could better contribute to the development efforts underway in this culturally rich land that has a curious similarity to the country of the “Rising Sun” in the Far East, similarities such as bowing to show respect to others and coffee and tea ceremonies, to mention just a few.

To conclude, therefore, I have every reason to offer my congratulations on the launch of the “Kaizen” project and pray for a real success in its implementation.

H.E. Mr. Kinichi Komano, Ambassador of Japan to Ethiopia

Message from the Head of Kaizen unit

Recent years economic records indicate that Ethiopia scored a continuous double digit growth. This growth is



attained due to the policies, strategies and development programmes pursued by the government which created conducive environment for investment.

Such a beginning has to be supported to make it continuous, sustainable and scale up to increase its domain. Major support areas may include to increase capacity utilization, productivity and production volume. To this effect, different support schemes were provided to industries particularly those exporting their products and certain improvement has been witnessed.

In order to scale up achievements so far attained, the government of Ethiopia has requested Japan to extend its support in area of productivity improvement scheme which is famously known as “Kaizen”. With immediate and positive response of Japan an agreement is concluded and soon Japanese consultants will be deployed in Ethiopia to run the project with their Ethiopian counter part.

Ministry of Trade and Industry has already established “Kaizen” team and I have the confidence that we will make a difference. I want to kindly call up on all stake holders in this project to join us and benefit from this project.

Mr. Getahun Tadesse, Head of Kaizen Unit, Ministry of Trade and Industry (MoTI)

Arrival of the Japanese consultant team and the Kick-off seminar

The Japanese consultant team will arrive on the 26th of October, 2009 to officially start the Quality and Productivity (Kaizen) Project. The project will be conducted from coming one and a half year and the consultants will intermittently stay in Ethiopia, cooperating with Kaizen Unit in MoTI.

As a kick-off meeting to publicly launch the project, a seminar will be held on the 4th of November, 2009.

The seminar will be held at the Conference room of MoTI and will be chaired by the head of kaizen unit, Mr. Getahun Tadesse. High officials from the government of Japan and Ethiopia are supposed to make opening speeches.

There will be presentations by Prof. Keiji Otsuka and Prof. Tetsushi Sonobe from National Graduate Institute of Policy Studies (GRIPS) in Japan about the basic concept of Kaizen and the impacts on economic development. Subsequently, Mr. Motokazu Kanokogi, Head of the JICA Consultant Team will present the implementation plan and schedule of the project, including explanation of criteria and process of selection for 30 companies that will have direct consultation and training of Kaizen methods as Pilot Project.

The 30 companies will have much benefit from the project, but the beneficiaries will not be only the 30 companies but all Ethiopian industrial companies that will benefit from this kind of seminars and coming dissemination phase.

It is expected that around or over 100 company managers and high level government officials related to the sector participate in the seminar. Invitation letter will be sent to the invitees by the end of October, 2009

Issued by: Quality and Productivity Improvement (KAIZEN) Project, MoTI / JICA

MoTI: (Tel: +251-11-629-3475) / (E-mail: bmea@ethionet.et)

JICA: (Tel: +251-11-550-4755) / (E-mail: el_oso_rep@jica.go.jp)



KAIZEN Newsletter

Quality and Productivity Improvement Project in Ethiopia



Vol. 3 December 28, 2009

The 1st Kaizen Seminar (Quality and Productivity Improvement): at the Global Hotel on November 4, 2009.



Ministry of Trade and Industry (MoTI) and Japan International Cooperation Agency (JICA) organized the 1st Kaizen seminar on November 4, 2009. This seminar was held as the kick-off meeting of the Quality and Productivity Improvement (Kaizen) Project which had just started.

In this first seminar, H.E. Mr. Kinichi Komano, Ambassador Extraordinary and Plenipotentiary of Japan to Ethiopia, Mr. Go Shimada, Director of Industrial Development Department of JICA and H.E. Mr. Tadesse Haile, State Minister of MoTI gave opening remarks. This was then followed by two presentations from Japanese professors about what Kaizen is.

Professor Keijiro Otsuka of National Graduate Institute for Policy Studies (GRIPS) presented the origin of Kaizen concept and the effect; Professors Tetsushi Sonobe of GRIPS presents examples of actual implementation of Kaizen in other countries.

Subsequent to the two presentations, Mr. Motokazu Kanokogi, Head of the JICA consultant

team presents schedule and overview of the project, including selection process and criteria of the Pilot Project. The attendees of the seminar included many managers and owners of public or private companies listened carefully to the presentation. Then, the floor is opened for discussion, question and answer. There are active and intensive questions raised about details of the project and relationships between Kaizen and other quality or productivity maintenance or improvement methods, such as International Standard Organization (ISO) or Business Process Re-engineering (BRP). In the end of the seminar, Mr. Getahun Tadesse, Head of Kaizen Unit in MoTI gives closing remarks.

This event was attended by senior government officials, members of related organizations, members of donors and many owners and managers of about 140 manufacturing companies.



30 companies have been selected for Pilot Project in Kaizen Project

KAIZEN Unit of MoTI and the JICA KAIZEN Study Team have chosen 30 companies to be included in Pilot Project in Kaizen Project and signed Service Agreement with the selected companies on December 18, 2009. Pilot Project is a component of Kaizen Project and the selected companies will receive consultation and guidance of Kaizen methods for productivity and quality improvement for four to five months each, but beneficiaries of the project will not only be the 30 companies but also all manufacturing companies in Ethiopia that will see National Plan for Quality and Productivity Improvement (Kaizen) and Kaizen materials to be developed reflecting results of Pilot Project.

In selection of the 30 companies, MoTI and JICA formulated the selection criteria as below and chose 63 candidate companies accordingly. Teams of Japanese consultants and Kaizen Unit members visited the 63 companies to observe

fitness for Pilot Project. Based on the visit results, 30 companies have finally been chosen.

The 30 companies have been divided into two groups and consultation for the first group will start in January 2010.

List of 30 companies for Pilot Project

No	Name of Company	Sub-Sector	Grp
1	Akaki Spare Parts and Hand Tools Share Company	Metal	2 nd
2	Walia Steel Industry P.L.C.	Metal	1 st
3	Alem International Steels P.L.C.	Metal	1 st
4	Gelan Metal Industry P.L.C.	Metal	1 st
5	Maru Metal Industry	Metal	2 nd
6	Mesfin Industrial Engineering P.L.C.	Metal	2 nd
7	Gatepro P.L.C.	Metal	2 nd
8	Techtra Engineering P.L.C.	Metal	1 st
9	Sintec Ethiopia P.L.C.	Metal	1 st
10	Nehemia Engineering	Metal	2 nd
11	Sebeta Agro	Agro	1 st
12	Universal food	Agro	1 st
13	Addis Mojo Edible Oil	Agro	1 st
14	Nas foods	Agro	2 nd
15	Seka business G	Agro	2 nd
16	Kality Food	Agro	2 nd
17	Matador Addis Tyre Factory S.C.	Chemical	1 st
18	East African Group (Ethiopia) P.L.C.	Chemical	2 nd
19	Zenith Gebes Eshet Limited P.L.C.	Chemical	2 nd
20	Kadisco Chemical Industries P.L.C.	Chemical	2 nd
21	Oromia Pipe Factory P.L.C.	Chemical	1 st
22	Ethiopian Pulp & Paper SC	Chemical	1 st
23	Ethio Leather Industries PLC (ELICO)	Leather	2 nd
24	Dire Industries (Dire Tannery)	Leather	1 st
25	Walia Industries LTD	Leather	2 nd
26	Ramsay Shoes	Leather	1 st
27	Adama Spinning	Textile	2 nd
28	Ediget Yarn and Sewing Thread	Textile	1 st
29	Etho-Japan Textile Factory	Textile	2 nd
30	G seven Trade	Textile	1st

List of Selection Criteria

No	Selection Criteria	Reason / Explanation
1	Proximity to Addis Ababa (distance with less than 100 km)	Capacity of the Kaizen Team and transportation workload are considered.
2	Contribution towards export trade and/or import substitute	National strategy of Ethiopia to promote export and import substitution is considered.
3	Scale of capital	Companies with larger capital are highly evaluated, considering the degree of impact of Kaizen.
4	Size of number of employees	Companies with fewer employees compared to the scale of capital are highly evaluated, considering the degree of impact of Kaizen.
5	Diversity of products	This is to diversity the products which selected pilot project companies produce.
6	Avoidance of duplication by other donors	This is to increase the effectiveness of aid.
7	Operational consideration for the pilot project	Company managers, who are keen to learn Kaizen, are highly evaluated.
8	No direct and indirect links to military purposes, based on Principle of Japan's ODA Implementation	This is to observe the Principle as a base of Japan's ODA implementation rules.



KAIZEN Newsletter

Quality and Productivity Improvement Project in Ethiopia



Quiz:



How 5s in English can be expressed in Amharic? See page 4.

- Set
- Set in order
- Shine
- Standardize
- Sustain



Contents:

Study tour to Egypt	2
Study tour to Tunisia	2
Ethiopian KAIZEN Logo Debut	2
Training in Japan	3
- Program in Central area in Japan	3
- Program in Kyushu area in Japan	3
5s in Amharic	6

Diagnosis study of Pilot Project has been launched.

The first phase of the pilot project started in mid-January 2010 and scheduled to be ended in June 2010. As per the agreement signed between KAIZEN project team and pilot companies, fifteen pilot companies which are grouped under the first phase have started to receive diagnosis and guidance of KAIZEN methods from JICA KAIZEN study team together with Ethiopian KAIZEN unit. In this specified period of time, each company will have 10 times visit. The KAIZEN project team has started its activity by collecting

detailed data of each company which is used as an input to make diagnosis and give guidance and most of the companies have shown their keen interest by delivering the required information. According to recommendations given by KAIZEN project team, company based KAIZEN teams who are responsible to disseminate KAIZEN principle to the workers is formed in each company.

by Kemila Abdela, KU member

One day in Pilot Project with JICA Senior Vice President

JICA's Senior Vice President Mr. Kenzo Oshima visited Ramsay Shoe factory P.L.C. one of the Pilot Project for KAIZEN project in Ethiopia. On the visit, Mr. Zelalem, the General Manager welcomed Mr. Oshima and made a brief presentation about his company. Mr. Getahun Tadesse, Head of Ethiopian KAIZEN Unit of MoTI (KU) explained about quality and productivity improvement project in Ethiopia which is undertaken jointly with JICA. Mr. Oshima, JICA's Senior Vice President made a remark with appreciation to the work done so far: emphasizing the importance of quality



JICA's Vice President, Mr. Oshima (third from the left) at a factory.

and productivity in the export led market to stay competent in the global market. He also mentioned the worth of KAIZEN to Ethiopia, wishing all the best for the success of the project in the country.

By Zemedkun Akleweg, KU member

On-sight Study in Egypt

Four KAIZEN unit members and JICA staff visited to Egypt KAIZEN Center to learn from their experience through on-site study from 21 - 23 Dec 2009.

During the visit, the team met and discussed with the staff members of the Egyptian KAIZEN centre in the Ministry of Trade and Industry Office. On the meeting a brief presentation was provided touching upon several topics like when and how their KAIZEN centre established, vision of the

centre, support from JICA to the centre, service provided by the centre and how to promote the KAIZEN activities.

On the second day the team has visited one of the client's factory working with the centre and observed how the Japanese consultants provide the factory with their consultation services.

By Delo Benka., KU member



Team with Mr. Noguchi from JICA in front of the pyramid.

On-sight Study in Tunisia

A team led by Ato Getahun Tadesse, head of KAIZEN Unit which was composed of Mr. Yoshiaki Noguchi from JICA Ethiopia office and other three KAIZEN Unit members made an on-sight study tour in Tunisia from January 12 to January 15, 2010.

During the visit, the team had fruitful discussions with JICA Tunisia office and Ministry of Industry, Energy and SME's higher officials and experts about the completed KAIZEN pilot project and Master plan preparation, components of which were similar to the project being applied in Ethiopia; and the ongoing second project which focuses on "Continuation of the first project for the sustainability of KAIZEN in Tunisia".

The team has also visited the Technical Centre of Agro-Food Sector (CTAA) and Technical Centre of Mechanical and Electrical Industries (CETIME). Since these centres are active participants of KAIZEN projects, the team had a chance to know how they support the factories which

are included in the project.

Two model factories where the KAIZEN pilot project was applied were visited by the team. The first one was SOFTEN S.C which is manufacturer of Solar panel. The management of the company revealed that their factory got huge benefit by applying KAIZEN concept and the team also visited the factory and discussed how it was improved. The second visited factory was BOUDJEBEL S.A VACPA which is dates processing and packing unit. The team discussed with factory managements and visited the production area and understand that this factory has also achieved good improvement in productivity and work environment.

Generally, the visit created opportunity to share Tunisian experience with the team and in return the team have got valuable lessons and recommendations how to apply KAIZEN.

During the visit, the team had fruitful discussion with JICA Tunisia office...

- On-sight Study in Tunisia by Gerawork Ketsela



Dates processing factory visit in on-sight study in Tunisia.

Vol. 4

Coming Soon ! On-sight Study in Japan

In addition to the on-the-job trainings through Pilot Project as well as visits to the Egypt and Tunisia, two-weeks study tour to Japan are scheduled by JICA in mid-May 2010 for KAIZEN Unit members and representatives from 30 selected companies, so that they are exposed to social system of KAIZEN at its birth place.

The objectives of study tour in Japan is 1)to further enhance techniques of KAIZEN in addition to techniques obtained from In-House

Training and On-the Job trainings, 2)to provide opportunities to learn KAIZEN at the firm-level in its birth-place, and 3)to provide a venue where training participants shall be involved in active exchange of views and experiences of KAIZEN with owners, managers and employees of Japanese companies. A total of 40 peoples shall be invited. They shall be divided into two groups and invited two different industrial areas in Japan, respectively.

A total of 40 peoples will be divided into two groups and invited two different industrial areas in Japan, respectively.

- Coming Soon! Study tour to Japan

Program in Central area in Japan

This program is mainly for managers from thirty selected companies. Central area (Chubu in Japanese,) of Japan here refers mainly to Aichi prefecture, where most of Japan's manufacturer such as Toyota and its related companies are located. It locates a few hours from Tokyo by Japan's rapid (bullet) train "Shinkansen". Company managers

will have opportunities to observe production sites of Japanese companies, in addition to learn philosophy and methods of KAIZEN in Japan.



"Shinkansen", takes you from Chubu area to Tokyo in few hours.

Program in Kyushu area in Japan

This program is for KU and some from companies. Kyushu area is located in south part of Japan where mountainous landform made itself one of the richest industrial areas due to its coal resources. Kyushu area is one of the biggest industrial bands in Japan, especially famous for metal productions. In addition to this,

experts from Egypt attended the similar training course in this area. The programme will include lectures on KAIZEN techniques, observation on KAIZEN activities at a factory, interviews and discussions with owners, managers and employees of companies and the like.



Kyushu is famous for metal production.



Issued by : Quality and Productivity Improvement (KAIZEN) Project, MoTI / JICA

MoTI :
Tel : +251-11-629-3475
Fax : +251-11-629-3474
E-mail : bmea@ethionet.et

For further information, please contact
Metal Product Development Center, MoTI
P.O. Box 1180, Addis Ababa, Ethiopia
at the contact information left.

JICA :
Tel : + 251- 11-550-4755
E-mail : el oso rep@jica.go.jp

5s in English / Japanese / Amharic

No	English	Japanese	Amharic
	5S		5ሰ
1	Sort	整理	ማጣራት
2	Set in order	整頓	ማስቀመጥ
3	Shine	清掃	ማፅዳት
4	Standardize	清潔	ማለመድ
5	Sustain	躰	ማዘለቅ



Ethiopian Ministry
of Trade & Industry

KAIZEN Newsletter

Quality and Productivity Improvement (Kaizen) Project in Ethiopia



Japan International
Cooperation Agency

Let Japanese Development towards Modernization Be a Lesson

"Human beings are born equal. But the decision to learn or not to learn will make the difference" Yukichi Fukuzawa

Contents:

Let Japanese Development towards Modernization Be a Lesson 1

Ethiopian Kaizen Unit and Pilot Companies Trained in Japan 2

Lessons Learnt from Existing Facts of Kaizen in the Visited Japanese 3

Kaizen activities in the First Phase Pilot Companies 4

Japan Training Follow-up at Home 4

Enjoy Reading

Historical evidence shows that technological characteristics critically depend on the particular set of inputs and their costs within which the technology emerges. One hundred fifty years ago Japan began to intensively study other nation's development and adopted new technologies and institutions from them and successfully industrialized and modernized in a short time. In the case of the first railroad construction, for instance, Japan did not simply adopt rail technology. To cope with its underdeveloped steel production capacity, Japan substituted the liberal use of steels for the sleepers & bridges with the local wood material. Employing adaptation approaches that harmonized foreign technologies and Japan's own resources, i.e., physical and human resources, the Japanese continued to learn one new technology after another in a relentless drive towards modernization. In those days, a lot of foreign engineers were invited and hired, and many Japanese went abroad to study advanced technologies and institutions, primarily under Japanese government programmes.

Sixty-five years ago, after the defeat in world war II, Japan had to rebuild itself from ashes, and restart the catch-up efforts once again with the U.S. and other countries. During this time, foreign engineers were eagerly invited/employed by companies and Japanese study missions were dispatched overseas by private and public organizations such as industry associations. In the government policy perspective, high emphasis was given to small and medium enterprises, and even expanded to promoting a movement of rural life improvement.

In both eras of the first modernization and the post-war rebuilding and catch-up,

Western knowledge and technology poured into Japan from overseas. But they were not simply borrowed, instead, adapted to fit the Japanese society and spirit, i.e., two different sets of knowledge: foreign & Japanese were skillfully synthesized to create new knowledge and technology. This "Japanese spirit, Western knowledge" - *wakon yosai* - could be a model for blending local and external knowledge- "Beware of throwing out the good elements of your country with the bad: the local knowledge is basic tool to solve local problems."

Immediately after the world war II, virtually, Japan had no resources and no capital but good people and good management attitudes. Quality control introduced from U.S. was developed, in Japan's employee-oriented culture, into a method of quality improvement which is implemented through self-directed quality circles with wide workers participation. Workers exchange their successes, mistakes and failures to each other and build shared knowledge.

We, Ethiopians, would be wise enough to learn and act how to facilitate the adoption and adaptation of knowledge and technologies and develop solutions specific to our own needs, as opposed to simply copying approaches used by developed countries so as to bring the swift renaissance of Ethiopia.

Assefa Yimer and Tola Beyene,
Ethiopian Kaizen Unit

Ethiopian Kaizen Unit and Pilot Companies Trained in Japan

Kaizen and other tools which helped quality and productivity improvement in Japan spread all over the world. Although Kaizen is at an infant stage in Ethiopia, efforts to implement it in the selected Kaizen pilot companies started in December 2009.

Ethiopian Kaizen Unit members and participants from those pilot companies of different industry sectors visited Japan from May 8-23, 2010, to study the actual implementation of Kaizen efforts in its birth place. The overall objective of the visit to Japan was to learn and fully understand Kaizen

knowledge from accumulated experiences.

During the visit, the participants were divided into two



Nagoya (left) and Osaka (right) Groups listen to the lecture

groups and took the training in different places. The first group of twenty, ten each, from Kaizen Unit and from the pilot companies went to Osaka and observed 13 companies from different sectors, thereby acquired significant understanding of how these companies are implementing Kaizen. The participants in Osaka were also able to visit Museum of Panasonic Matsushita Electric House and Kyoto City which is known for its tourist sites. The second group of twenty people from the pilot companies went to Nagoya. Their visits included Toyota Automobile Factory which is exemplary in Kaizen.

The participants have learned a lot from the visits which put them in a better position in terms of how to implement Kaizen in the companies in Ethiopia. They were able to grasp the Japanese approaches to the work place management, team work, Kaizen techniques and were really able to recognize how Japanese companies achieve their objectives and the motives by which employees accomplish tasks entrusted to them.



File management and glimpse to 5S implementation at Hiraoka Hyper Tools in Osaka



Layout that eliminated waste of transportation of Japanese companies



KYODO Food Company, Inc

Practical Exercise on Shine at Hiraoka Hyper Tools, Inc.

Samson Kebede
Ethiopian Kaizen Unit

Lessons Learnt from Existing Facts of Kaizen in the Japanese Companies Visited

Some facts learned from the Japanese Companies the study groups visited:

- Japanese companies have clear business policies which they help sustain competitiveness in the world market
- There is strong belief in creating clear and neat working environment conducive to defect-free products and services which enable to meet customers satisfactions
- Strong commitment of management and employees to achieving continuous quality and productivity improvement
- The Japanese people in business strongly believe that workers are crucial assets to the companies, so that they put high priority on keeping safety of employees in factories, e.g., working on the machines
- Including the owners and managers of the companies every employee cleans his/her own office every morning for ten minutes before commencing work
- In most companies members of Quality Control Circles (QCC) are expected to suggest new ideas once in a month that contribute to quality and productivity improvement
- Impressive time management and work discipline
- Though the companies in Japan are giants and some of them have established an internationally reputable status, still they are continuously implementing Kaizen with such activities as QCC, 5S and others for further improvement
- Focus on Small and Medium Enterprises (SME) in Japan has been instrumental in the growth of various companies including some of the present day gigantic companies of Japan
- Inspiring team work among the employees in the companies

Some of the Companies/Institutions visited in Japan and respective Kaizen Implementations

Name of Company	Kaizen implementation
OSAKA Group	
Nishikuta, Co	4S and productivity improvement
Hiraoka Hyper Tools, Inc.	Quality control and 3S activities
Katagi Food, Ltd	5S - Cleaning Reform
Kawano Co., Ltd	6S(Speed, Scope, Skill, Slim, Sense and Smile)
Leather Industry	
EXEDY Corporation	QC Circle Activities
Sumitomo Electric Industry	Practice and Effects of Kaizen
Japan Small and Medium Enterprise Management Consultants Association	[Small and medium Enterprise Management Consultant System]
Konsuke Matsushita Electric museum	[History of the Panasonic founder-Matsushita]
Nakagawa Industry Co., Ltd	Quality Management System
Turner Color Works LTD	Quality Control
NAGOYA Group	
Koto Engraving Nagoya Corporation	5S and Visual Management
Shikishima Baking Co.,Ltd and Owari Textile Research Center	QC Story
Toyota Commemorative Museum of Industry and Technology	The view of the Toyota Cost Reduction
	QC Circle Activities
Toyota Motor Corporation	Basics TPM Concepts
Toyota Industries Corporation	Kaizen Example. Policy Management

Fite Bekele, Metal Industry Development Institute

Kaizen activities in the First Phase Pilot Companies

Of the total 30 Kaizen pilot companies selected which are equally categorized into first and second phases, actual implementation of Kaizen in the fifteen first group companies started in December 2009. These manufacturing companies are from sectors of leather, chemical, metal, agro-processing and textile, and 2, 3, 5, 3 and 2 in number respectively. These companies are getting direct guidance and diagnosis by JICA study team consultants and Ethiopian Kaizen unit members. All the companies were visited by them 3 to 5 times. During these visits, problems of the companies were identified and discussed. A Kaizen core team of managers and QC Circles at each company was established to start their Kaizen process.

While JICA consultants were in Japan, the Ethiopian Kaizen team members have continued visiting the aforementioned companies so as to help their already started Kaizen activities. The team made an effort to make companies understand Kaizen basics through discussions, training and providing materials. The materials included: Kaizen study materials to the core Kaizen teams. Amharic translated 5S materials for front line operators for whom training was also given. The subjects of the team's visits to the companies were: how to establish Quality Control Cir-



KU members lecturing for the front line workers at Techtra

cles (QCCs); introduction of Kaizen boards at work place "gamba"; and discussion on how to start 5S activities which is one of the Kaizen tools and foundation for Kaizen improvements.

Some companies have already formed QC Circles and achieved notable results by implementing certain creative actions such as fixing a conveyor to automate the transportation process of products; preparing formats used for recording workshop data; improving and setting work procedures and standards; making spare parts of machines using simple and cheaper materials; preparing Kaizen notice board; adapting the 5S activities to their companies working procedures, preparing training manuals and providing trainings (by their own Kaizen core team members); rearranging companies' equipment and tools by applying 5S methods; and solving some routine small problems encountered on day-to-day company operations.

Through these visits, the team has learnt that the importance of creating at each company awareness about Kaizen concept of the sustainable continuous improvement activities with firm knowledge-based performances. It should help the companies meet the required competitiveness goal of our country's manufacturing sectors in the world market, and help them meet their social responsibility in operating their business.

Zemedkun Akleweg, Selamawit Kiros and
Kemila Abdela,

Ethiopian Kaizen Unit

Japan Training Follow-up at Home

After returning back home, those two groups trained in Japan-Nagoya and Osaka got together for experience sharing on what they learnt at Metal Industry Development Institute (MIDI) conference hall on June 3, 2010.

Of the 40 training partakers, almost all the trainees in Japan, General Managers of some companies, Kaizen unit members and invited guests from JICA participated in the session. The session was chaired by Ato Getahun Tadesse.



Experience Exchanging

Head of MIDI and Ethiopian Kaizen Unit team leader and the two groups, the Osaka group and the Nagoya group, presented their respective experiences in Japan and what they have learned from the training.

On the occasion a lot of suggestions and opinions were expressed by the participants and through discussions carried out. Eventually, the participants reached to an agreement to have similar meetings every two months at the same hall to discuss and keep updated about how the acquired knowledge from Japan is put in practice in each company and their achievements on Kaizen activity.

Delo Benka,
Ethiopian Kaizen Unit

Issued by Quality and Productivity Improvement (KAIZEN) Project, MoTI/JICA

MoTI:

Tel: +251-11-629-3475

Fax: +251-11-629-3474

E-mail: bmea@ethionet.et

JICA:

Tel: +251-11-550-4755

E-mail: el_oso_rep@jica.go.jp

For further information, please contact:
Metal Industry Development Institute,
MoTI, PO.Box 1180, Addis Ababa,
Ethiopia, at the contact information left.



Ethiopian Ministry
of Trade & Industry

KAIZEN Newsletter

Quality and Productivity Improvement



KAIZEN : An Implementation Instrument for the GTP

Contents:

KAIZEN: An im-
plemen-
tation in-
strument for the
GTP

1

The 2nd Phase of
the KAIZEN Pilot
Project launched

3

KAIZEN Project is
making the leap
to improving
Quality and Pro-
ductivity

4

Pictorial Presenta-
tion of some of
the achievements
obtained in the
first phase pilot
companies

6

Enjoy Reading



Ethiopia's vision in the economic sector stated in the government's Growth and Transformation Plan (GTP) is to: build an economy which has a modern and productive agricultural sector with enhanced technology and an industrial sector that plays a leading role in the economy; sustain economic development and secure social justice; and increase per capita income of citizens so that it reaches at the level of those in middle-income countries. GTP is directed towards achieving this vision and sustaining the rapid and broad-based growth path witnessed during the past several years and eventually ends poverty. Creating favorable conditions for the industry to play a key role in the economy is one of the central pillars strategies of GTP set forth for the coming five years.

The GTP's industry growth objectives include transformation of the competitiveness of local industry and their value-adding capacity, enabling all industries to utilize their full capacity in order to increase production, improve industrial outputs and productivity, development of the attitude and skills of entrepreneurship in realizing the sector not only meant for job creation but also a place of expanding modern management systems and strengthen the foreign exchange earning

capacity of the industry. Industrial expansion will be promoted based on both export oriented and import substituting industries. The industry is expected to show average annual growth of 20 percent to contribute its share to the 11.2 percent annual growth rate of the country's GDP. In the industry sector, special emphasis will be given particularly to two major sub-sectors. Concerted efforts will be exerted to vastly develop the micro and small enterprises sector, which is the most important sub-sector towards employment generation. Due attention will also be given to the development of medium and large scale industries as well.

Though progress has been made, there are still challenges in the realm of changes in attitudes and cultural values conducive to industrialization, which inherently take time to evolve. The government is committed to speeding up these changes by expanding human capital and improving human development outcomes which is still a central pillar strategy of GTP that is essential for the implementation of government policies, strategies and programs. In order to be successful in the current competitive world market place as most Japanese corporations are, a culture of continuous evaluation and

...continued

improvement is seen by many organizations as an essential tool to realize sustained advancement. Kaizen is one of the main tools to develop such a culture. It is with this evidence that the kaizen project was designed to enable the country to progress towards proper and sustainable improvement of the manufacturing industries thereby contributing to poverty alleviation and food security.

Kaizen is a Japanese word meaning “change for the better”. When used in the industrial management context, it means workplace-based continuous improvement and it focuses on human elements and advocates people’s process-oriented efforts for improvement involving the entire work force. The Kaizen business strategy approaches quality and productivity improvement with an emphasis on standardization of workplace environment and operation as the starting point. Standardization is indeed an enabler for quality and productivity improvement, allowing us to pursue improvements, for instance, to focus on eliminating waste or non-value-adding and unnecessary activities and articles in the systems and processes of an organization. Through practicing Kaizen we learn also how to perform our jobs to the best of our abilities. Its workplace focus leads to changes to maximize efficiency in existing resources allowing low cost improvements to accumulate for significant contribution to the organization’s goals.

The Kaizen project under way in Ethiopia at selected pilot manufacturing companies is achieving progress. There are ‘early wins’ being reported in terms of im-

proved workplace efficiencies. With respect to changes in people’s attitudes and mindset, we have been witnessing people at the workplaces pleasantly surprised at the changes they were able to make on their own initiative. With participation, collaboration and self-initiative, practicing of Kaizen that delivers results is a satisfying, even self-fulfilling, experience, which is the basis for the self-motivated workforce and management that work together towards satisfying customers. To implement the GTP, such changes in the organizational culture are needed during the next five years; kaizen is a planned intervention considered as internalizing instrument for these changes.

The problem of quality and productivity is recognized as national in scale. Hence, extending and disseminating achievements of those pilot companies to others and development of productivity and quality movement at national level are of paramount importance. Formulation of the national plan is one of the kaizen project components that will be prepared based on the signed agreement on expert assistance by Ministry of Industry, JICA and Kaizen Unit. To realize this and make it to continue, the scaling up and replicating of the kaizen project to speed up the development process of the country through GTP should be given special emphasis over the coming five years.

By: Assefa Yimer
and
Fetene Getachew
Kaizen Unit Members

The 2nd Phase of the KAIZEN Pilot Project Launched

The 2nd phase implementation of Quality and Productivity Improvement (KAIZEN) pilot project started on October 19th, 2010. It is known as the KAIZEN pilot project, which has now become one of the main aspects in the bilateral relationship of Ethiopian and Japanese governments, has been under way since October 2009. The project encompasses 30 selected manufacturing companies from five sectors and its execution is divided into two phases.

In the 1st phase implementation, Kaizen Unit (KU) members and JICA consultants visited the 15 first group companies five times after a four-day seminar was given to the companies' people for basic concepts of Kaizen. During the visits the companies were given intensive guidance how to implement 5S, i.e., standardization of workplace environment, as well as standardization of operation. The guidance for many companies, then, progressed into how to run Quality Control Circles (QCC). In the middle of the visits there was also a two-day experience work shop given by Yuko Yabe, a senior Japanese management consultant from Toyota Engineering Corporation. Having gone through various exercises under the guidance, many of the 1st group companies are now starting their own Kaizen activities. Though Kaizen is long term and, indeed, practicing of Kaizen has no end, very early outputs from Kaizen activities are already being reported by the companies.

At the end of the 1st phase, an intensive evaluation of the implementation was done by discussion among KU members, KU members and Companies and among JICA consultants. Thus, the 2nd phase was launched with a slightly modified guidance programme and more

clarity in the methods employed. Before this phase launched, the Kaizen Unit and the 2nd group companies' owners and top management thoroughly discussed on the subjects of the company management's commitment and preparation for the project activities.

The pilot project activities with the companies are designed to guide them through their self-organizing process of Kaizen. The guidance is given in 6 steps of total 12 sessions. There are total six sessions of group training, and six sessions of company-site guidance. Between the company-site guidance sessions, there are in-company Kaizen activities (self-exercise assignments). This process is to build a platform for self-practicing of Kaizen on the company-wide scale within each of the companies.

List of 2nd Phase Pilot Project Companies

1. Akaki Spare Parts & Hand Tools S.C.
2. Mesfin Industrial Engineering P.L.C.
3. Gatepro Metal Engineering P.L.C.
4. Maru Metal Industry P.L.C.
5. Kadisco Chemical Industry P.L.C.
6. Zenith Gebs Eshet Ethiopia Ltd.
7. East African Group P.L.C.
8. Walia Leather and Leather Products P.L.C.
9. Ethio-Leather Industry P.L.C.
10. Seka Business Group P.L.C.
11. Nas Foods P.L.C.
12. Kaliti Food S.C.
13. Adama Spinning Factory(Already Started)
14. Ethio-Japan Synthetic Textile S.C. (Already Started)
15. Amabasader Garment P.L.C. (Already Started)

By: Yigedeb Abay and Sientayehu Gashaw

Kaizen Unit Members

KAIZEN Project is making the leap to improving Quality and Productivity

The 15 first group pilot companies are now graduating from the Kaizen Pilot Project Guidance programme. The Guidance included group training sessions, company-site guidance sessions and self-exercise assignments between sessions, through which most of the companies have done their best to internalize and self-organize the Kaizen approach in their organizations. The Guidance is to assist the companies' self-organizing process of Kaizen, which lays the groundwork to start out to the self-practicing phase of Kaizen. Of the basic methods the Guidance helped the companies to learn and exercise, 5S (standardization of workplace environment), standardization of operation and organizing QCC, as well as initial exercise of elimination of 'Muda'-Waste are prominent. Among the foundation elements supporting these activities are commitment of the management and genuine participation of the front-line workers.

During the course of the kaizen project intervention working together with the first group pilot companies, there have been 'early wins' of qualitative changes and quantified results attained by the companies from their model workplace exercise. To mention a few of the qualitative results: clean working environment created, team work and motivation of workers developed, health and occupational safety of workers improved, lower level workers accustomed to suggesting improvement ideas to management decisions, knowledge obtained on how to meet timely delivery and to reduce costs. Some of the quantified results include reducing costs by Birr 10,000 per month and Birr 78, 000 per annum, generating additional income of Birr 1.2 million per year and Birr 204, 000 per day by just decreasing down time and increasing labor productivity, reducing time loss for searching tools from in the range of 50

to 100 percent with some of the preeminent kaizen performer companies. These encouraging outcomes and benefits have been attained through the execution of creative and ambitious activities of the kaizen core teams and QCC (Quality Control circles) members of the pilot companies. Moreover, the mind-set of managers and workers has been changing in terms of their self-initiative, collaboration and challenge for change, which are the basis of an organization that can pursue continuously improving quality and productivity.

It is of paramount importance to capitalize on the experiences gained from the model workplaces to scale-up kaizen implementation at company level so that each of the companies can start self-practicing of Kaizen on an ongoing basis. Depending on their performances and recorded achievements, five companies: Techtra Engineering Plc & Sintec Ethiopia Plc from Metal sector, Mathador Addis Tyre S.C & Ethiopian Pulp and Paper S.C from Chemical, Universal Food Complex Plc from Agro processing and G-7 Trading and Industry Plc from Textile have been recognized as early achievers of self-organization of Kaizen, hence, they will have bonus guidance sessions from the Kaizen project team for self-practicing and scaling-up of kaizen implementation in a company-wide scope. Other companies will be supported and followed up through designed means to steadily develop and expand kaizen activities. If kaizen is not practiced continuously, it is not kaizen.

By: Kemila Abdela, Selamawit Kiros, Delo Benka & Samson Kebede
Kaizen Unit Members

Pictorial Presentation of some of the achievements obtained in the first phase pilot companies



Before Kaizen



After Kaizen

Fig.1 Sort, Set-in-order & Shine are implemented to standardize the



Before Kaizen



After Kaizen

Fig. 2 In-process stock is repositioned to avoid Muda of transportation

...Continued

.....



Fig.3 The walking way and the working area are separated to avoid traffic and for employee safety

Issued by : Quality and Productivity Improvement (KAIZEN) Project, Mol / JICA

Mol-MIDI :
Tel : +251- 11- 629- 3475
Fax : +251-11- 629- 3474
E-mail : bmea@ethionet.et

JICA:
Tel : + 251- 11-550-4755
E-mail : el oso rep@jica.go.jp

For further information, please contact:
Metal Industry Development Institute (MIDI), Mol
P.O. Box. 1180, Addis Ababa, Ethiopia
at the contact information left.



Ethiopian
Ministry of Industry

KAIZEN Newsletter Quality and Productivity Improvement (Kaizen)



Japan International
Cooperation Agency

Ethiopia's KAIZEN has Now a Manual

Contents:

Ethiopia's
KAIZEN
has Now
a Manual

1

From the
Ethiopia
KAIZEN
Manual

2

KAIZEN
Visual Guide
in
Final Stage of
Production

4

Pilot Project
Photo
Gallery

5

Enjoy Reading

The Introduction of KAIZEN as a management tool in our country has been started with the assistance of JICA in response to the request of the Government of Ethiopia to the Government of Japan for KAIZEN technology transfer to our country. After the project design phase was completed, the former Ministry of Trade and Industry established KAIZEN unit with professionals drawn from the ministry and relevant sectoral institutes, and JICA deployed a consultant team to work with the Unit. The KAIZEN project was officially launched with the first National KAIZEN Seminar in the presence of high level officials from both sides.

With the project experiences of sixteen month so far producing encouraging results at pilot companies, KAIZEN is now selected as one of management tools to improve and enhance managerial capability to implement Growth and Transformation Plan.

The success stories are mainly explained in terms of monetary value additionally earned as a result of the workplace improvement in employing 5s and QCCs. It has been reported that as high as birr 1.2 million is earned in one company. On the other spectrum, owners and managers of companies found that the KAIZEN activity made them to understand the importance of workers participation in identifying problems, generating solutions, and implementing and evaluating the results. In a nutshell, the change of mindset that KAIZEN could bring about is a key factor to create an organization of high motivation conducive to continuous change.

The project is now bearing its fruit, the KAIZEN Manual. The manual documents methodologies, processes, and training materials to be used in the guidance to assist companies to establish their KAIZEN practice. Its contents have been tested, modified and improved through the pilot project activities.

This project is now getting momentum with crafting a strategy for dissemination of KAIZEN. Together with a planning of institutionalization, we will have a KAIZEN national plan shortly, and we will set in motion a quality and productivity movement in our country.

With the acute sense of immense urgency in implementing our Growth and Transformation Plan, our expectations in pursuing goals and getting things done are sometimes at a greatly heightened level. I want at this juncture to appreciate JICA for recognizing our feelings and responding to our needs.

KAIZEN is to change endlessly.

Getahun Tadesse
KAIZEN Unit Head

From the Ethiopia KAIZEN Manual

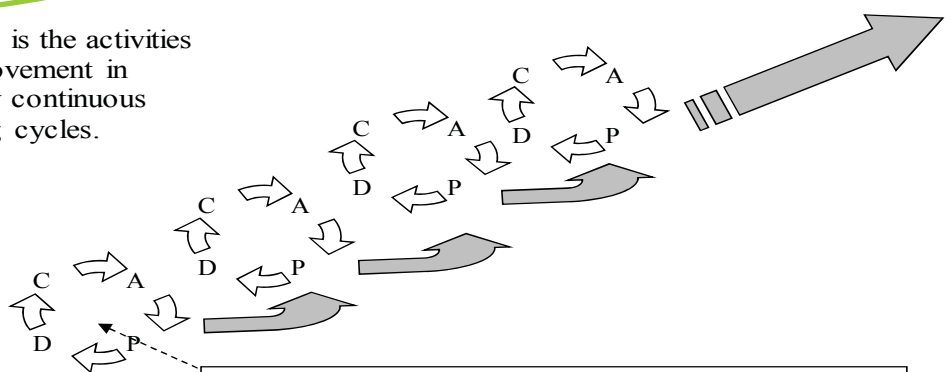
The *Ethiopia KAIZEN Manual* is an operating guidebook of KAIZEM guidance activities for Ethiopian manufacturing companies. The manual contains the concepts of KAIZEN at the workplace, the methodologies for conducting a guidance program to help companies with their own efforts to become KAIZEN-practicing companies, and the methodology for monitoring and assessing such guidance activities. The manual is the product of the pilot project.

KAIZEN is a system of continual undertaking by an organization to improve its business activities and processes with the goal to always improve quality of products and services so that the organization can meet full customer satisfaction.

KAIZEN's guiding principles:

- 1) Integrated total company approach: Genuine participation of top management, middle managers and front-line employees in a collaborative working system throughout company organizations
- 2) Proactive and spontaneous participation of employees of front-line workplaces with their own initiatives
- 3) Focus on the workplace that encourages improvements of efficiency in existing resources allowing low cost improvements to accumulate for significant contribution to the company goals
- 4) Continuous and endless activities in revolving cycles of PDCA resulting in significant improvements
- 5) Endogenous undertaking conducive to change in organizational culture: Practicing KAIZEN in itself leading to a corporate culture of continually self-innovative organization and self-motivated workforce.

KAIZEN is the activities for improvement in endlessly continuous revolving cycles.



One cycle of activities consists of the following..

- ① <P-1> Analyze current situation and identify problems
- ② <P-2> Examine and analyze causes of high priority problem
- ③ <P-3> Design solution measure
- ④ <D> Implement the measure in trial production
- ⑤ <C> Evaluate results
- ⑥ <A> Establish new operational standard for live production

KAIZEN is what the organization's members practice in endless pursuit of excellence. In other words KAIZEN is something that is practiced only by the organization members themselves with their own initiative and resolve.

KAIZEN Tree

KAIZEN Corporate Culture:
An organisation equipped with self-motivated endogenous and continual improvement



- Knowledge Base No.5 Analytical Tools**
- QC Seven (7) Tools
 - 1) Histogram; 2) Graphs;
 - 3) Pareto Chart; 4) Check-sheet;
 - 5) Scatter Diagram;
 - 6) Control Chart; and
 - 7) Fish-bone Chart
 - New QC Seven (7) Tools
 - any other analytical tools

- Knowledge Base No.3 Vehicle of Company-wide KAIZEN Movement**
- QC Circle Basics
 - How to Operationalise QC Circle
 - Suggestion System
 - Management Organisation for KAIZEN

- Knowledge Base No.4 Methods**
- Muda-dori: Waste Elimination
 - Poka-yoke: Quality Management
 - KYT: Safety Management
 - TPM: Total Productive Maintenance
 - IE & SQC
 - any other expertise

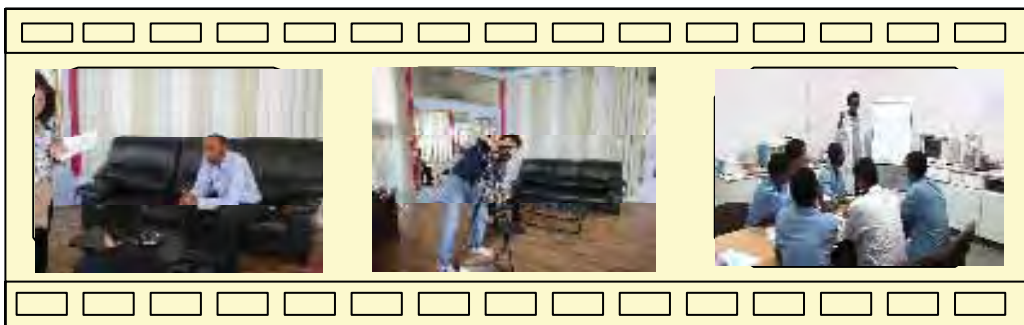
- Knowledge Base No.2 KAIZEN Starters**
- 5S - Standardisation of Workplace Environment
 - Standardisation of Operation

- Knowledge Base No.1 Conceptual Foundation**
- KAIZEN Concept Overview
 - PDCA - A never-ending upward spiral
 - Mind-set & Attitude
 - TQM - Customer Satisfaction in QCD across total company with genuine participatory corporate culture.

Fundamental Enablers on Recurrent KAIZEN Agenda		
■ Business Planning	■ Cost Accounting and Operation Data	■ Trust and Empowerment

KAIZEN Visual Guide in Final Stage of Production

The *KAIZEN Visual Guide* is a set of audio-visual materials that supplement the *KAIZEN Manual*. It consists of an introductory volume, *A Road to Change*, and more practical volumes including *How to Start 5S*, and *How to Conduct QCC*, as well as visual training materials such as *Time Study* and *Standard Operation Sheet*.



Featuring



H.E. Mr. Meles Zenawi

Prime Minister

Federal
Democratic
Republic
of
Ethiopia

Interviews



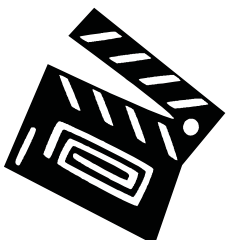
Mr. Jun Takeyama
Team Leader
JICA KAIZEN Study
team



Mr. Getahun Tadesse
KAIZEN Project Leader
Ministry of Industry



H.E. Mr. Kinichi Komano
Extraordinary and Plenipotentiary
Ambassador of Japan to Ethiopia
(2006-2010)



KAIZEN Pilot Project 2nd Group Companies Photo Gallery



Continual improvement from manual feeding of raw material for preparation to improved cart with easy and simple operation mechanism

Creation of conducive working environment with 3S activities helps to achieve consistently high quality process & ease of identification of abnormalities.



Eliminating Muri (overburden): manual crushing of raw material to semi-automatic crushing machine leading to higher productivity.

Neat and clean workplace enhances smooth working condition with no obstruction, improved safety and higher productivity.



Elimination of Muda of motion and transportation by introducing filling hose saves labor force & increase productivity.

Places for everything from walkways to work areas are well identified, labeled and marked in a standard way through implementation of 5S