

The Republic of Kenya
Ministry of Industry, Trade and Cooperatives
Kenya Institute of Business Training

**THE PROJECT ON
HUMAN RESOURCE DEVELOPMENT
FOR INDUSTRIAL DEVELOPMENT
IN THE REPUBLIC OF KENYA**

PROJECT COMPLETION REPORT

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**The Project on Human Resource Development
For Industrial Development in the Republic of Kenya
PROJECT COMPLETION REPORT**

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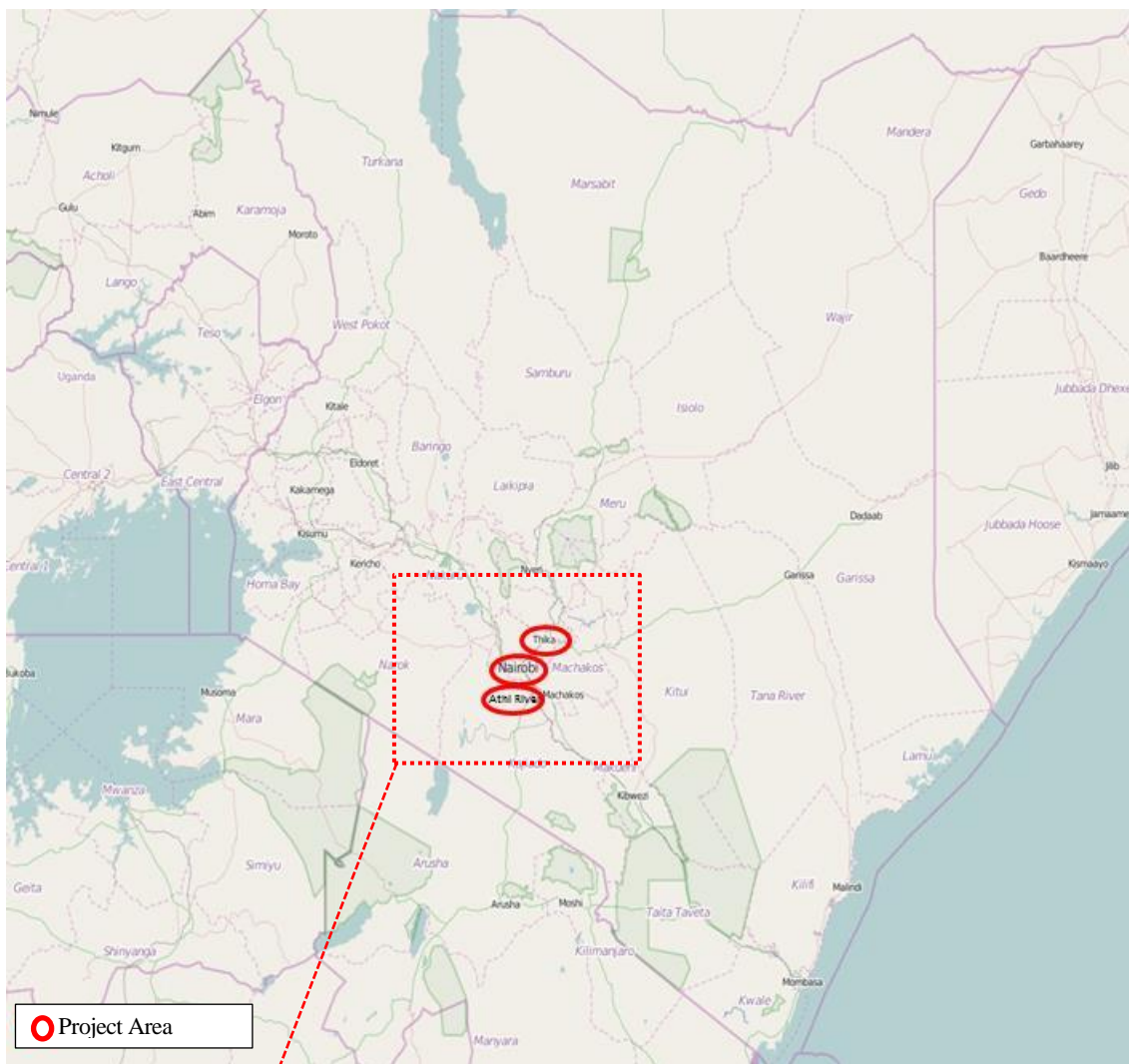
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MAP



ABBREVIATIONS

Abbreviations	English
AKAC	Africa KAIZEN Annual Conference
BDS	Business Development Services
BP	Business Plan
BS/MS	Business Skills / Management Skills
C/P	Counterpart
CRT	Classroom Training
DFID	The Department for International Development, UK Government
EAC	East African Community
EPC	Export Promotion Council
EPZA	Export Processing Zone Authority
GMP	Good Manufacturing Practice
IE	Industrial Engineering
ILO / UNDP	International Labour Organization / United Nations Development Programme
JCC	Joint Coordinating Committee
JETRO	Japan External Trade Organization
JICA	Japan International Cooperation Agency
JKUAT	Jomo Kenyatta University of Agriculture and Technology
JPC	Japan Productivity Center
KAM	Kenya Association of Manufacturers
KEPSA	Kenya Private Sector Alliance
KIBT	Kenya Institute of Business Training
KIE	Kenya Industrial Estate
KIRDI	Kenya Industrial Research and Development Institute
KITI	Kenya Industrial Training Institute
KJ-PRIME	Kenya and Japan Programs for Innovation and Management Excellence
KNCCI	Kenya National Chamber of Commerce and Industry
KU	Kenyatta University
LIWA	Linking Industries With Academia
MoITC	Ministry of Industry, Trade and Cooperatives
MoLSP	Ministry of Labour and Social Protection
MOU	Memorandum of Understanding
MPC	Malaysia Productivity Corporation
MRP	Material Requirement Planning
MSEA	Micro and Small Enterprise Authority
MT(C)s	Master Trainer (Candidate) s
MTEF	Medium-Term Expenditure Framework
NEPAD	The New Partnership for Africa's Development

NPCC	National Productivity and Competitiveness Centre
OEM	Original Equipment Manufacturer
PDM	Project Design Matrix
PS	Principle Secretary
R/D	Record of Discussion
SOP	Standard Operating Procedure
T(C)s	Trainer (Candidate)s
TICAD	Tokyo International Conference on African Development
TKA / TKF	Toyota Kenya Academy / Toyota Kenya Foundation
TOT	Training of Trainers
TQM	Total Quality Management

1. Outline of the Project

1.1 Background of the Project

The Republic of Kenya (hereinafter referred to as “Kenya”) has had an increasing trend in annual GDP per capita since 2002 except for 2008 and 2009, marking a higher level than neighboring countries including countries of the East African Community (EAC) and Ethiopia, although the growth ratio of Gross Domestic Product (GDP) per capita in Kenya is rather moderate compared to Ethiopia, Tanzania, and other African countries like Ghana. In order to enhance the competitiveness in Africa, particularly in EACs, it is essential for Kenya, a nation which has been advancing in the industrialization in the region, to improve productivity in the industrial sector.

Based on this circumstance, the Government of Kenya aims to increase the level of the income through the promotion of newly industrializing country and manufacturing by maintaining an average GDP growth of 10 % in Kenya Vision 2030, in which the long-term development plan from 2008 to 2030 is indicated. In this Vision, the promotion of Small and Medium-sized Enterprises (SMEs) and human resources development are mentioned as critical issues for strengthening the competitiveness and economic development. On the other hand, in the labor market of Kenya, the informal sector occupies nearly 60 % of the entire labor market, and 30 % of the formal sector is composed of temporary staffs, which develops another informal sector in the labor market. In this situation, to achieve the goals of Kenya Vision 2030, it is necessary to graduate temporary staff into regular employees so that they are proactively in charge of management activities. The transformation of the informal sector to the formal sector through strengthening management foundation of the SME is also an important challenge at the company level.

JICA implemented the Trade Training Program for SME Exporters (Phase2) (2010-2012) and assisted Kenya Institute of Business Training (KIBT) to enhance its capacities on management training and consultancy for micro and small enterprises (MSMEs) and entrepreneurs. As a result, the trainers of the management training for small /micro enterprises were trained and practical training programs were developed. Based on the results of the previous projects, the Project on Human Resource Development for Industrial Development (hereinafter simply referred to as “the Project”) was requested by the Government of Kenya, in order to realize the productivity improvement and innovation of SMEs, and to promote the human resource development at management level, aiming to achieve the goal of Vision 2030.

The Project aims to establish an implementation structure for the new training and consultancy programs for SMEs in KIBT, as well as to support the improvement of business performance at selected pilot enterprises through the provision of the business services. In the long run, the results of the Project are intended to contribute to the expansion of the employment opportunities through the development of business related human resource and enhancement of management foundation of SMEs. The Project has been implemented

in collaboration with training institutions, including National Productivity and Competitiveness Centre (NPCC)¹ and Toyota Kenya Academy (TKA).

1.2 Project Objectives and Outputs

The Project on Human Resource Development for Industrial Development aims at achieving the following Overall Goal, Project Purpose and Outputs through the implementation of the activities.

[Overall Goal]

Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.

[Project Purpose]

Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.

[Outputs]

1. Implementation structure for the new training and consultancy programs for SMEs at KIBT was established.
2. KIBT lecturers² for the new training and consultancy programs for SMEs were empowered.
3. Indications to show business performance improvement at selected pilot enterprises were found.

1.3 Scope of the Project and Activities

(1) Period of the Project

4 years from September 2015 to August 2019. The original period of the Project was 3 years from September 2015 to August 2018. In the 4th JCC Meeting on April 19, 2018, one-year extension of the Project duration was proposed by JICA, in order to strengthen the relationship between KIBT and its collaborators, considering the sustainability of the results of the Project. The extension was finally agreed by both the Ministry of Industry, Trade and Cooperatives (MoITC)³ and JICA in May 2018 and the amendment of a Record of Discussions was made.

(2) Project Site

Nairobi and surrounding areas

¹ NPCC was formed after the reformation of Productivity Centre of Kenya (PCK).

² One of the job classification in KIBT. They are the technical staff in charge of business training and consultancy.

³ The competent of KIBT was changed to MoITC in January 2016.

The on-site consultancy was provided for 21 enterprises in total for the three years. The breakdown of the location of the 21 pilot enterprises are: 14 from Nairobi, 5 from Kiambu County (4 in Thika and 1 in Ruiru) and 2 from Machakos (both in Athi River). In addition, 5 lecturers who were stationed at KIBT regional offices (1 from Mombasa County, 1 from Embu County, 1 from Kakamega County and 2 from Kisumu County), were also trained in the Project.

(3) Project Implementing Agency/Stakeholder Organizations in Kenya

[Project Implementing Agency (Counterpart Organization)]

Kenya Institute of Business Training (KIBT)

KIBT was established in 1965 under the Ministry of Trade with the assistance of ILO/UNDP as Management Training and Advisory Centre. Since then, it has provided the business training and consultancy services to entrepreneurs and MSME. It was renamed KIBT in 1980. KIBT has its main office in Nairobi and 7 regional offices in Nyeri, Kakamega, Embu, Kisumu, Garissa, Mombasa and Rift Valley. As previously mentioned, KIBT was supported to improve the quality of business training and consultancy to the entrepreneurs and micro and small scale enterprises in JICA Project on Trade Training Program for SME Exporters (Phase2) (2010-2012). In 2018/2019 FY, 96.7 million KSH was allocated to KIBT by MoITC for the implementation of business services. The organization chart of KIBT is shown in Figure 1. The breakdown of KIBT staff is shown in Table 1.

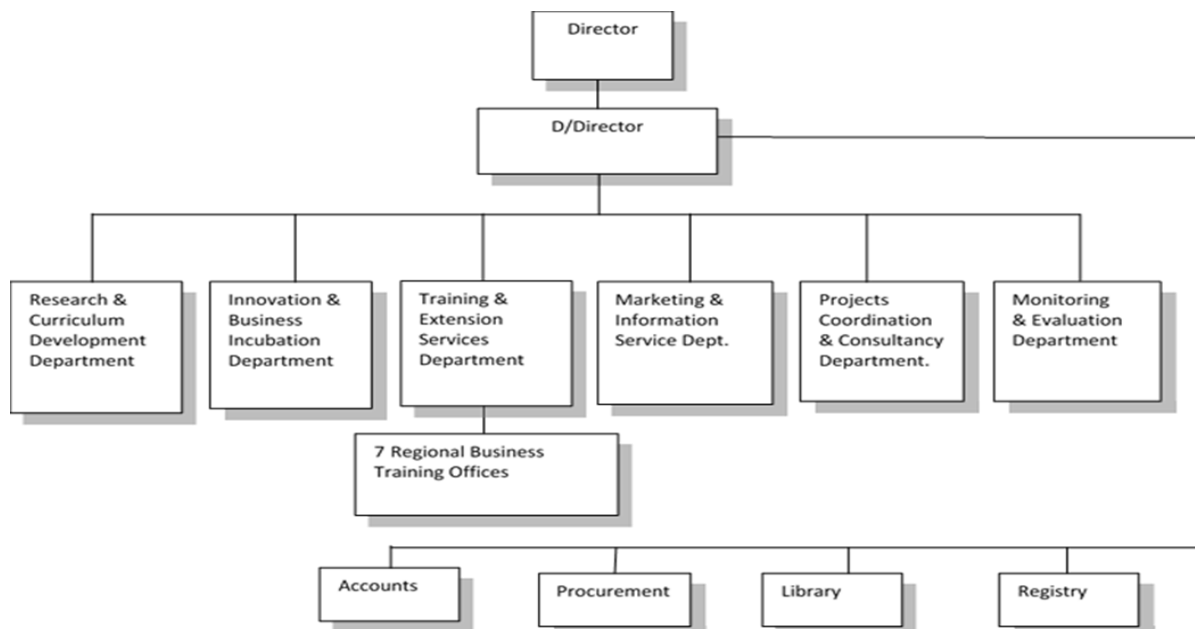


Figure 1: Organization Chart of KIBT (as of June 2019)

Table 1: Breakdown of KIBT Staff (Managerial and Technical Staff)

Designation	September 2015	June 2019
Director	1	1
Deputy Director	1	1
Principal Lecturer	6	7
Lecturer	26	25
Graphic Designer	1	1
Total	35	35

[Ministry in charge]

State Department of Trade, MoITC

[Main Related Organizations]

(a)Kenya National Chamber of Commerce and Industry (KNCCI)

KNCCI was established in 1967 and it has regional offices in all of the 47 counties. It has more than 12,000 enterprises and organizations as the members. Its main activities consist of ‘advocacy to the policies on MSMEs’, ‘business linkage / business matchmaking’, ‘assistance for financial assess’ and ‘business development services (training, business counseling, etc.)’. In the Project, KNCCI sent 2 staff as the Trainer Candidate in the 3rd year and also supported the Project as one of the member of the JCC.

(b)National Productivity and Competitiveness Centre (NPCC)

NPCC was initially established in 2002 as the Productivity Centre of Kenya (PCK) under the Ministry of Labour. It main activities include ‘improvement of labour condition’, ‘improvement of labour management relation’ and ‘provision of training and consultancy for improving productivity of both private and public sectors’. PCK was the implementing organization of JICA Project on Productivity Improvement during 2012 and 2014. With the executive order by the president, PCK was renamed NPCC in November 2016. The number of staff was 8 in 2014, but it has expanded the scales of the organization since then and has 28 staff as of July 2019. In the Project, NPCC sent 2 staff as the Trainer Candidate in the 3rd year and also supported the Project as one of the member of the JCC.

(c)KIRDI

KIRDI is a national research institution established in 1979. It is mandated to undertake multidisciplinary research and development in industrial and allied technologies, including mechanical, energy and power resources, leather, textile, chemical, electrical, food processing, ceramics, and information communication & technology (ICT). It provides training and consultancy on the above technology, as well as providing incubation services. It operates in 8 centres in Nairobi (headquarters), Kisumu, Malindi, Migori, Eldoret,

Garissa, Bungoma, and Kisii, with 334 staff nationwide (as of July 2019). In the Project, KIRDI sent 1 staff as the Trainer Candidate in the 3rd year and also supported the Project as one of the member of the JCC.

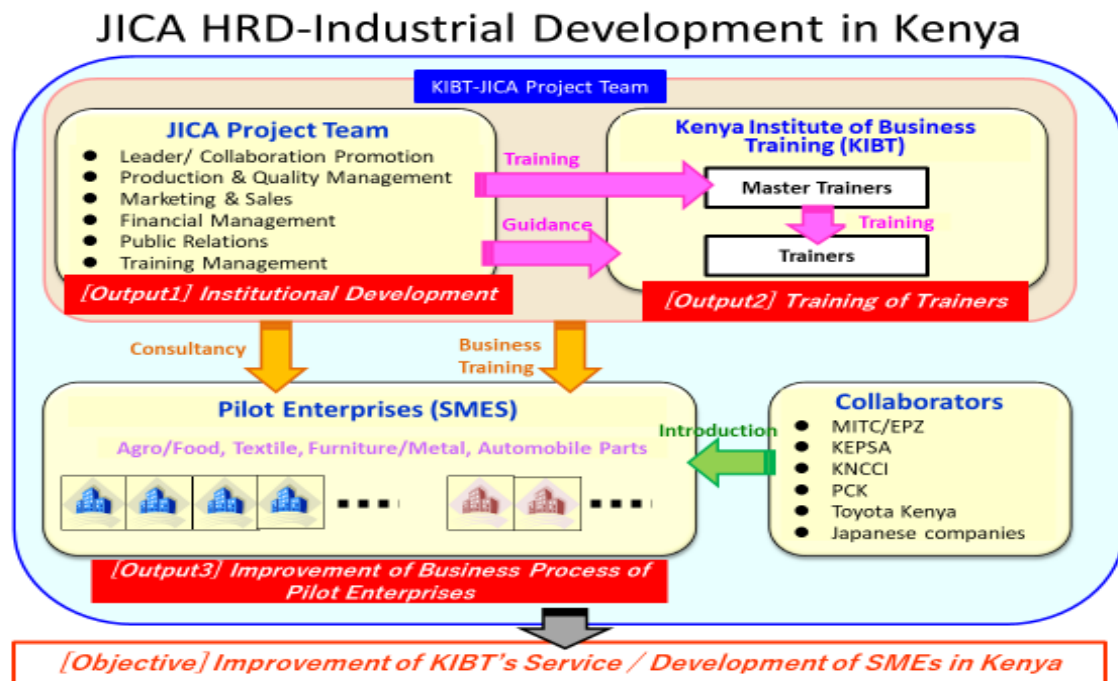


Figure 2: Concept of the Project

1.4 Basic Policy for Work Implementation

[Technical Aspect]

(1) Establishment of implementation mechanism of KIBT's 'new training and consultancy programs', based on the management issues of the enterprises in Kenya

Various management issues of SMEs were found in the Detailed Planning Survey on the Project. For example, the necessity of improving the capability of top executives was clarified, including the awareness of sharing management policy to all the levels of management, and the capacity of making management strategies and management plans. In addition, the issues, such as development of the capacity of middle managers, problem solving skill, motivation of subordinates, were considered. In production/quality management and marketing/sales, there were various issues, such as low productivity, inefficient production planning / control, lack of the capacity of sales staff and customer-oriented concept. As for financial management, basic document control and operation standard are not yet introduced in many Kenyan enterprises. Lastly, basic business skills of staff and operators were enhanced.

In the Project, based on these management issues in the enterprises in Kenya, the human resource capable of 'the new training and consultancy programs' were trained in the three fields; production/quality management, marketing/sales, and financial management.

(2) Establishment of sustainable training system of KIBT lecturers, capable of conducting 'new training and consultancy programs'

KIBT has provided the executives of MSMEs and the entrepreneurs with business services on the whole management fields, including management strategy/planning, marketing, production/quality management, and bookkeeping/financial management. The Project aimed at forming the KIBT's operational system for 'the new training and consultancy programs' and establishing sustainable training system of KIBT's MTs and trainers, according to the management policy of KIBT for developing the new services. In terms of training system, the activities were implemented in the following order: '1st Year- Training of the KIBT Master Trainer Candidates (MTCs) by JICA experts' → '2nd Year- Training of the Trainer Candidates (TCs) by the MTCs under the supervision of JICA experts' → '3rd Year- Training of the TCs by the MTCs (JICA experts support autonomous operation by KIBT)'. In this process, practical capacity of KIBT MTs was enhanced and the development system of MTs was established.

In addition, in order to form the operational system of providing the new services, KIBT needs to establish the Plan-Do-Check-Act Cycle, starting from studying the training needs, planning and implementing training programs, conducting the assessment of the training program, and developing new customers. Therefore, for establishing the cycle, 'Model training programs for SMEs' were in the 3rd year of the Project.

(3) Maximizing the results of management improvement (KAIZEN) at pilot enterprises, while developing the MTs through On the Job Training

On-site consultancy at pilot companies is a precious opportunity for both the MTCs and the TCs to enhance practical capacity as consultants. In the Project, the main actor of the on-site consultancy was changed from JICA experts to KIBT MTCs during the Project period. On the other hand, in order to assess the result of the on-site consultancy, the indicators, such as ‘Satisfaction level of the pilot enterprises for the services provided by KIBT was more than 80%’ (one of the indicators for Project Purpose), ‘Business process improved by 20% per pilot enterprise on average, based on the criteria agreed upon by the project team’ (one of the indicators for Output-3), have been set. Both training the MTCs and the TCs and realizing the management improvement through consultancy were run concurrently.

Therefore, although the plan was mainly designed for the MTCs to guide the TCs at on-site consultancy from the 2nd year of the Project, the JICA experts periodically monitored the results of the consultancy and gave necessary advice when needed so that the training of MTs and the results of on-site consultancy were consistent.

(4) Taking note on the relationship with related ministries and collaborators

The implementation agency of the Project was KIBT under State Department of Trade, MoITC. The ministry was responsible for industrial promotion in Kenya including SMEs promotion. It was also the provider of the data of SMEs, which were possible candidates of pilot enterprises. Needless to say, it was important that the project team informed MoITC of the progress and the results of the project periodically and support the ministry to utilizing the Project results.

Additionally, the Project was designed to collaborate with other training institutions/organizations for improving the quality of KIBT’s service and expanding its service domain. The project team implemented the project activities, in collaboration with training institutions such as NPCC, TKA, and employers’ associations such as Kenya Private Sector Alliance (KEPSA), Kenya National Chamber of Commerce and Industry (KNCCI).

(5) Implementation of ‘New Training and Consultancy Programs’, leading to the benefits of Japanese related enterprises

The Project was expected to contribute to Japanese related enterprises in Kenya by providing their suppliers /dealers with business services. By providing on-site consultancy to these enterprises, the Project was expected to assist their management improvement activities. Besides, by disseminating the results of on-site consultancy to other Japanese related enterprises, the Project tried to enhance the awareness of KIBT among these enterprises and create their demands towards KIBT’s new training and consultancy programs.

According to the Detailed Planning Survey on the Project, these enterprises had management issues in value

creation processes, such as production/quality management, marketing/sales, as well as basic business skills and management skills. The project team selected 2-3 enterprises per year and implemented on-site consultancy for contributing to management improvement in Japanese related enterprises.

(6) Several ideas to enhance the results of the Project

- (a) Implementation of classroom training on enhancing ‘the capacity of holistic view on business management of SMEs’

In order to provide business services to SMEs to enhancing their system of ‘production and quality management’, ‘marketing and sales’, and ‘financial management’, it is necessary for KIBT lecturers to have the capacities of analyzing business management holistically based on the external business environment and rendering practical advice for solving management issues. Thus, the classroom training on themes, such as management strategy and planning, were additionally implemented.

- (b) Implementation of three subjects as common items- for developing trainers who understand business management as a whole

The fields, ‘production and quality management’, ‘marketing and sales’ and ‘financial management’, compose the management cycle. They are correlated and complimentary. For example, without understanding the needs of customer and market following the concept of ‘marketing and sales’, it is difficult to make effective production plan and to implement quality control satisfying the customer. Without making appropriate budget plan based on the concept of ‘financial management’, the management of value creation activities, such as production planning, cost control, sales planning, pricing, are unable to be implemented. By having knowledge on the three subjects and understanding the relationship among them, the MTs and Trainers are able to consult with client enterprises on a specific management subject. Thus, the classroom training on the three subjects were implemented for all the MTCs and the TCs, regardless of the fields in which they specialized.

- (c) Development of trainers capable of guiding management skill of middle managers

As previously described, both Kenyan enterprises and Japanese related enterprises indicated that the needs for improving management skills of middle managers was one of the management issues. For KIBT, the main change due to starting the new business service was that its customer was altered from the micro enterprises to the SMEs, namely, the size of the client enterprises became larger. Accordingly, the target group of the new business service was changed from executives/entrepreneurs to middle managers/supervisors. In order to assist management improvement for client enterprises with the new business service, it was necessary for the MTs and the Trainers to also have the capacity of training middle managers who were responsible for executing and managing business activities, in addition to the

knowledge skills of the three selected subjects.

Thus, classroom training on improving management skill, including policy deployment, management of business activities, and problem-solving skill, was implemented in the Project.

[Project Management Aspect]

(1) Flexible response according to the progress of the Project and changes of the needs of the Kenyan side
During the project period, there were unexpected changes in terms of KIBT, such as the changes of the number of the staff, the budget allocation, etc. Based on these circumstances, the policy and the needs of KIBT, as well as those towards the Project, had changed, according to the progress of the Project. For this reason, the project team communicated with KIBT and related ministries closely, so that a flexible response could be made to such changes. In case that the changes related to the project design was requested from the Kenyan side, the project team consulted with JICA and took the necessary actions.

(2) Improvement of recognition of KIBT by active promotion activities

The result of the Detailed Planning Survey showed the necessity to improve the recognition of KIBT among the enterprises in Kenya, since recognition of KIBT among enterprises was relatively low. Coping with this, the active promotion of KIBT was implemented. First, the PR strategy (Re-Branding Strategy) was established with the assistance of JICA experts. Then, the promotion tools, such as DVD with the results of on-site consultancy, booklet of management improvement tools, were developed. It was noted that the improved quality of services provided by trained MTs also gave the enterprises the necessary confidence.

(3) Safety management and risk avoidance

Careful attention was paid to safety management so that the JICA's expert team was not subject to any safety issues or risks resulting in disruption of its work. Vital information was constantly gathered from the JICA Kenya Office and Embassy of Japan in Nairobi. In addition, an emergency contact list of JICA experts was prepared and periodically revised. When unexpected situation occurs, the JICA project team acted according to the guidance of the JICA Office and the Embassy. Requests for cooperation was also made to the C/P organization and other stakeholder organizations in Kenya to ensure the safety of the project team members.

2. Results of the Activities

2.1 Status of Achievement of PDM

The status of the achievement of the indicators in the PDM of the Project are shown in Table 2.

Table 2: Status of Achievement of PDM

Narrative Summary		Indicators	Status (Based on the indicators)	Achievement Status	Remarks
Overall Goal	Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.	1. Real sales value is increased by 10% per year.	<ul style="list-style-type: none"> ● According to on-site consultancy impact assessment, the average ratio of sales increase in 21 pilot enterprises was 15.1%. If KIBT sustains on-site consultancy, the set indicator will be achieved. ● In order to sustain on-site consultancy, the necessary budget for conducting on-site consultancy should be provided by MoITC. In addition, KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, where some cost of consultancy will be covered by the enterprises. 	○	
		2. More than 100 SMEs are provided consultancy services.	<ul style="list-style-type: none"> ● KIBT and its collaborators provided the consultancy service for more than 40 enterprises in 2018/2019 and they also have the plan to provide consultancy for the same number of the enterprises in 2019/2020. If it also stands in 2020/2021, the total will exceed 100 enterprises in the next 3 years. ● In order to achieve this indicator, the followings are proposed. <ul style="list-style-type: none"> ➢ KIBT needs to continuously train the new staff and the staff in KIBT regional offices, as well as the staff of the collaborators, by utilizing the trained MTs and Trainers. ➢ KIBT should maintain the periodical networking meeting with its collaborators, in order to encourage them to conduct consultancy and monitor the results. KIBT should be mandated to host the networking meetings among the public BDS providers for MSMEs as one of the activities by MoITC. ➢ The necessary budget for the activities above should be provided by MoITC. 	△	
Project Purpose	Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.	1. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.	<ul style="list-style-type: none"> ● Satisfaction level of the pilot enterprises for the 3 years was 93.3%. 	◎	
		2. “The new training and consultancy programs” developed in the Project becomes one of the regular training program of KIBT.	<ul style="list-style-type: none"> ● New consultancy services for SMEs were included in KIBT’s annual plans between 2016/2017 and 2019/2020. ● In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts. 	◎	
Outputs	1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.	1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed.	<ul style="list-style-type: none"> ● KIBT has made 4 annual work plans in 2016/2017, 2017/2018, 2018/2019 and 2019/2020, without assistance from the JICA project team. In these plans, new business services developed in the Project were included. 	◎	

Narrative Summary		Indicators	Status (Based on the indicators)	Achievement Status	Remarks
		1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project.	<ul style="list-style-type: none"> The 1st version of training guidelines and training tool were completed in the 1st year. MTs and Trainers revised training guidelines / tools and conducted the CRTs for TCs and model training programs for pilot enterprises in the 2nd and 3rd year. The training guidelines and training tools were revised based on the results of on-site consultancy for the 3 years. 	⊙	
		1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.	<ul style="list-style-type: none"> 33.3% of consultancy (7 out of 21) was conducted by the joint team (KIBT and its collaborators) in the 3 years. The ratio of the enterprises which was introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises). 	⊙	
	2. KIBT lecturers for the new training and consultancy programs for SMEs are empowered.	2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers.	<ul style="list-style-type: none"> 8 MTCs, who were trained for 3 years as planned, completed achievement indicators set in the final assessment in June 2018 and they received the certification as the MT. 1 MTC (financial management field) left KIBT in March 2017. 1 Trainer who had been trained in the 2nd year became an MTC and he was trained in the 3rd year. In the final assessment, he was yet to be certified, since he needed to have more practical experiences of on-site consultancy before being certified as the MT. 1 MTC (marketing and sales field) was transferred to a KIBT regional office in November 2017 and he could not participate in the training program of MTC. However, he has utilized the skills obtained for providing business training and consultancy for the SMEs in the region, since he moved. 	⊙	
		2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.	<ul style="list-style-type: none"> All of the 9 TCs (KIBT lecturers) in the 2nd year passed the achievement indicators. All of the 9 TCs (the staff of the collaborators) in the 3rd year passed the achievement indicators. 	⊙	
	3. Indications to show business performance improvement at selected pilot enterprises are found.	3-1. 5S is practiced by all pilot enterprises.	<ul style="list-style-type: none"> In the assessment of the achievement in the end of all the 3 years (July 2016, June 2017 and June 2018), 5S was practiced in all of 21 pilot enterprises for the 3 years. 	⊙	
		3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on the team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).	<ul style="list-style-type: none"> The improvement ratio of business process (including waste elimination) was 25.9% on average in all the pilot enterprises (21 enterprises) for 3 years. 	⊙	
		3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.	<ul style="list-style-type: none"> The developed promotional materials (leaflet, banners, consulting guide, and the best practice DVD) have been used (distributed) for promoting business training and consultancy services to the enterprises in the KIBT training programs, as well as business clinics. 	⊙	

⊙Achieved ○Expected to be achieved △There are the risks for the achievements ×Difficult to be achieved

2.2 Overall Activities

(1) On-Site Work in Kenya

The results and the achievement of the activities in the Project are stated as follows.

As previously mentioned, the project period was extended for one year, in order to enhance the sustainability of the Project Activities. Including the extended period, the Project was completed through fourteen on-site works in Kenya, including nine on-site works in the initial project period and five on-site works in the extended period, with the third training program (Malaysia) and supplemental works in Japan. The periods of each on-site work in Kenya is shown in the Table 3 below. Total MM spent for the Project is 94.54 MM.

Table 3: Period of Each On-Site Work in Kenya

Time	Period
1 st on-site work in Kenya	September - November 2015
2 nd on-site work in Kenya	January - May 2016
3 rd on-site work in Kenya	June - September 2016
4 th on-site work in Kenya	October - December 2016
5 th on-site work in Kenya	February - May 2017
6 th on-site work in Kenya	June - July 2017
7 th on-site work in Kenya	September- November 2017
8 th on-site work in Kenya	January - April 2018
9 th on-site work in Kenya	May - July 2018
10 th on-site work in Kenya	September - October 2018
11 th on-site work in Kenya	November – December 2018
Third Country Training in Malaysia	January 2019
12 th on-site work in Kenya	February - March 2019
13 th on-site work in Kenya	April - May 2019
14 th on-site work in Kenya	June - July 2019

Apart from the above works, the following activities were implemented.

(2) Training program in Japan

The following two programs were implemented in September 2016.

(a) Training program on learning good management practices in Japan

(Date) From September 19 (Mon.) to 30 (Fri.), 2016.

(Participants) 10 MTCs

*The details of this activity is explained in '2.5 Counterparts' Training in Japan and a Third Country Training'.

(b) Program on learning SME promotion and industrial development in Japan

(Date) From September 29 (Thu.) to October 1 (Sat.), 2016.

(Participants) Principal Secretary and two officials (including KIBT Director) in charge of the Project

(3) Third country training program

(Title) Study Trip on Supporting Business Development of MSMEs

(Date) From January 14 (Mon.) to 23 (Wed.), 2019.

(Venue) Kuala Lumpur, Malaysia

(Participants) 5 senior officers from ministries and organizations related to supporting business development of MSMEs (1 from MoITC, 2 from KIBT, 1 from Ministry of Labour and Social Protection, and 1 from KNCCI)

*The details of this activity is explained in ‘2.5 Counterparts’ Training in Japan and a Third Country Training’.

(4) JICA KAIZEN Knowledge Sharing Seminar (renamed African KAIZEN Annual Conference)

JICA KAIZEN Knowledge Sharing Seminar aims to strengthen the network among KAIZEN promoting institutions in Africa, through sharing best practices and lessons learnt. There were 4 seminars in the Project period: March 2016 in Ethiopia, April 2017 in Kenya, July 2018 in South Africa and June 2019 in Tunisia. Senior officers of KIBT, the collaborators and the ministries, as well as the JICA experts, participated in the seminar. As for the seminar held in Kenya in 2017, it was co-hosted by JICA and the Government of Kenya. The JICA project team, KIBT and NPCC co-organized the event.

*The details of this activity is explained in ‘2.5 Counterparts’ Training in Japan and a Third Country Training’.

The following documents which describe overall project activities are attached as Appendix.

- Project Design Matrix (PDM) (Appendix 1)
- Overall work flow (Appendix 2)
- Staff plan (Appendix 3)

2.3 Output 1 (Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.)

(1) Conducting analytical work on the needs of new business services for SMEs and preparing business plans

(a) Analytical work before the project commencement

The JICA project team analyzed the reports on the needs of SMEs in Kenya for business training and consultancy. The reports included the Report on the Detailed Planning Survey of the Project, and the Final Report of the JICA Project on Productivity Improvement in the Republic of Kenya. The team understood the current needs and, based on them, prepared the draft of business plan as well as initial training materials before the 1st on-site work in Kenya. The examples of utilization of the results of analytical work for making the business plan and training materials are shown below.

- Based on the Final Report of the JICA Project on Productivity Improvement, the JICA experts understood the effective approaches to implement consultancy in SMEs in Kenya (for example, it is useful to take more time for the evaluation and follow-up of on-site consultancy considering to sustain the results of consultancy. It is effective to let CPs/trainees visit pilot enterprises during the period when JICA experts do not stay in Kenya, in order to enhance the CPs' self-reliance as consultant). The findings were reflected on the implementation procedure of on-site consultancy in the Project.
- Based on the Report on the Detailed Planning Survey of the Project, it was found that the main training program of KIBT was the training program called 'Small Business Management' (a 3-day program) among the 15 training modules which KIBT had developed (KIBT implemented 79 training programs in 2013/2014 FY and 66 training programs (83.5%) of them were under the module of 'Small Business Management'). Therefore, the initial training materials were developed by referencing the training contents and material of 'Small Business Management'.
- Based on the Report on the Detailed Planning Survey of the Project, JICA experts understood the capacity gaps and the needs for training / consultancy in the priority sectors (food/agro processing, textile, furniture/metal works, and automobile parts), as well as management fields (production & quality management, marketing & sales and financial management). Based on them, JICA experts developed the initial training materials and consultancy tools.

(b) Confirming the needs for business services

In the 1st year of the Project (September 2015- August 2016), the JICA project team and KIBT studied the needs for business services through the implementation of on-site consultancy for pilot enterprises. As a result, it was found that there was great room for improvement in business processes in the pilot enterprises. Wastes of operation time were observed in all the three management fields, such as production / quality management, marketing / sales, and financial management, which resulted in low productivity and inefficiency in management. There were not many enterprises which tried to improve its marketing and sales activities by

establishing a system to update the needs of the customers based on frequent communication with the customers. In addition, many enterprises did not have the system to create periodical management reports, and they could not make management decision quickly based on change of market conditions. There was certainly great needs to improve business operation and management system in SMEs through business training and consultancy.

(2) Preparing a business plan on how to improve KIBT service(s) based the finding(s) of the analytical work

(a) Two plans to be developed

Based on the analytical work as well as the consultation with KIBT in the 1st on-site work in Kenya, two plans were considered to be influenced in the Project. One was ‘the training plans of the MTCs & TCs’, which would be developed in collaboration between the JICA project team and KIBT. The other was ‘the KIBT annual work plan’, which KIBT would make in each of the project period and the JICA project team would monitor the plan and provide advice for the improvement. The former is more precisely explained in ‘2.4 Output 2’, while the latter is touched upon in the following chapter, ‘(b) Inclusion of new business services into KIBT’s annual work plan’.

(b) Inclusion of new business services into KIBT’s annual work plan

During the project period, the JICA project team encouraged KIBT to include new business services, namely the number of the enterprises which KIBT provided on-site consultancy, into the annual work plan of KIBT, as well as monitoring the actual implementations.

As shown in Table 4, due to the limitation of the budget and human resources, in both financial year of 2015/2016 and 2016/2017, KIBT could not provide on-site consultancy by itself. However, in the work plan in 2017/2018, the number of consultancy firms was set at 8 enterprises in a year. In fact, the total enterprises which KIBT conducted the consultancy was 9 (7 enterprises in the Project and 2 enterprises outside the JICA project by KIBT itself).

Table 4: Number of Enterprises KIBT provided Consultancy

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Plan	8	12	20	4	8	10	10 (Plan)
Result	12	0	5 (5 corp. in JICA Project. 15 workshops by 3 different management fields)	7 (7 entre. in JICA Project. 21 workshops by 3 different management fields)	9 (7 corp. in JICA Project 18 workshops by 3 different management fields + 2 enterprises by KIBT itself)	4 (All of 4 enterprises by KIBT itself)	-

It was confirmed that new consultancy service for SMEs was included in KIBT's annual work plan in 2018/2019, beginning the path for building solid and sustainable mechanisms for the future of the Project. The number of consultancy firms was set at 10 firms in a year. In 2018/2019, KIBT implemented the consultancy without the support from JICA experts for 4 enterprises. In addition, some of the MTs served the roles of facilitators in the management training under JICA One Village One Product (OVOP) in Embu County, Bomet County and Kakamega County. In addition, KIBT made a Memorandum of Understanding (MOU) with both Bomet and Kakamega Counties to providing on-site consultancy for the MSMEs in the counties, with the condition of cost sharing among KIBT, the county and the enterprise. Furthermore, KIBT has finalized the MOUs with other counties, such as Nakuru, Meru, Kirinyanga, Embu, on the provision of on-site consultancy. This shows KIBT's willingness to provide on-site consultancy by itself.

Besides, the main activities of KIBT were defined in September 2018, based on the Medium-Term Plan III (2018-2022) under Kenya Vision 2030, as follows.

- Entrepreneurship training / business management training
- On-site consultancy and in-house training for MSMEs
- Training needs assessment (including follow-up study)
- KJ- PRIME (business training for MSMEs)⁴

The new business services, namely both consultancy and KJ-PRIME, which have been developed in the Project were included there.

(3) The strategy of Re-Branding of KIBT

(a) Analysis on KIBT current activities

In the 1st and 2nd on-site work in Kenya, an analysis on current activities of KIBT was conducted. JICA experts heard from the heads of four departments of KIBT and analyzed the activity record of KIBT. The summary of the analysis was as follows:

- In the current three years, KIBT has focused on the entrepreneurial and management training to MSMEs. Number of the participants has increased steadily. On the other hand, due to the budget limitation, other activities, such as business consultancy, counseling and extension service, had not been actively implemented.
- The main module for entrepreneurial and management training to MSMEs is 'Small Business Management Course'. It consists of 50-90%⁵ of the total number of participants. In most of the training

⁴ Kenya & Japan - PProgram for Innovation and Management Excellence. The details of KJ-PRIME are explained in '2.2 Output 1 (4) Development of guidelines and implementation tools for new business service'. The program is shown in [Appendix 4].

⁵ The rate went to 54.2% in 2014-2015, since there were special programs for the women entrepreneurs (888 participants). Except them, the rate was 80.9% in 2014-2015. The rate was 93.9% in 2012-2013 and 82% in 2013-2014.

programs, the training fee is set relatively low⁶, in order to encourage as many entrepreneurs as possible to participate in the training.

- The promotion of training programs to MSMEs was not done by KIBT as an organization; rather, it was been done by the individual efforts of the lecturers, due to the budget limitation of organizational promotion activities. It is preferable to introduce the organizational promotion of training programs for efficient implementation of the promotion.

(b) The strategy of Re-Branding of KIBT

One of the issues found through the analysis was that the promotion of training programs to MSMEs was not implemented by KIBT as an organization; rather, it was implemented through individual efforts of KIBT lecturers. It was likely one of the factors of rather low recognition of KIBT among private sectors. In addition, Dr. Chris Kiptoo, the Principal Secretary of State Department of Trade, expressed the necessity of re-branding of KIBT, in order to promote the KIBT activities, since he took the position responsible for supervising KIBT. His awareness was expressed during his visit during the training program in Japan in September 2016.

Reflecting these circumstances, during the 4th on-site work in Kenya (October- December 2016), the JICA experts supported KIBT to make the strategy on Re-Branding of KIBT. The senior managers of KIBT formed a team and completed the strategy at the end of November 2016 (Figure 3). It consists of the following five key directions:

- [1] Improve the quality of KIBT products/services, and promote KJ-PRIME⁷
- [2] Develop KIBT website and other social platforms. And publicize through road shows, print and electronic media, and distribution of materials.
- [3] Identify a coordinator and develop a work plan and framework for engaging with County Governments, NGOs and private sector players.
- [4] Constitute a technical team to document KIBT processes for activities/programmes for purposes of standardization
- [5] facilitate the staff motivational reward scheme

⁶ Training fee of KIBT's program is generally 500 KSH for three days program, while that of one of the private training institutes is 15,000 KSH (the fee for the business training programs for SMEs).

⁷ The details of KJ-PRIME are explained in '2.2 Output 1 (4) Development of guidelines and implementation tools for new business service.'

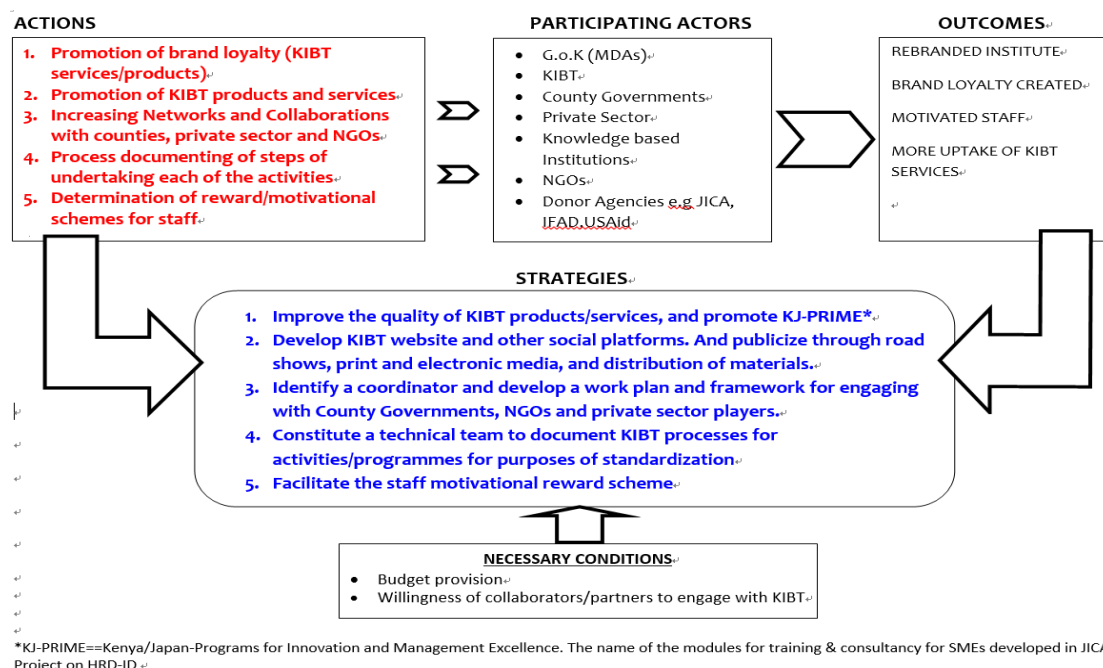


Figure 3: Re-Branding Strategy of KIBT

Among them, one of the strategies, namely ‘1. Improve the quality of KIBT products /services and promote KJ-PRIME’ were implemented by providing model training programs for the enterprises in the 2nd and 3rd year (explained in ‘(5) Supporting the establishment of the implementation mechanism for the new training programs through conducting the model training programs for SMEs (pilot enterprises)’). As for ‘2. Identify a coordinator and develop a work plan and framework for engaging with county governments, NGOs, and private sector players’, the JICA project team supported to strengthen the relationship between KIBT and potential partners by establishing the Coordinating Committee in the extended period (also explained in ‘(6) Implementation of collaboration activities between KIBT and other training institutions’).

(4) Development of guidelines and implementation tools for new business service

The JICA experts developed the 1st version of the guidelines (curricula and syllabus) and tools (textbooks and training manuals) for new business training programs in the 1st year of the Project. The experts and the MTCs were revised by reflecting the results of the Project activities during the project period. The new curricula of business training for SME was named as KJ-PRIME (Kenya Japan – Program for Innovation and Management Excellence), which consists of 6 curricula, ‘management strategy & planning’, ‘management skills for middle managers’, ‘business skills for new school graduates’, ‘production & quality management’, ‘marketing & sales’ and ‘financial management’. KJ-PRIME has the following characteristics.

- The modules of training and consultancy based on Japanese management excellence
- Practical by focusing on application capability with case studies of SMEs in Kenya and global best practices

All of them have been implemented as the model training programs for pilot enterprises and collaborators in the 2nd and 3rd year (the details are explained in ‘(5) Supporting the establishment of the implementation mechanism for the new training programs through conducting the model training programs for SMEs (pilot enterprises)’). The MTCs played the role of instructors, with the assistance of JICA experts. These programs are expected to become the regular training programs of KIBT after the Project.

In the extended period of the Project, the JICA experts and KIBT completed the guidelines and the tools for the training program on business plan, both for the training program of trainers and the training program for enterprises. The guidelines and implementation tools were used in training of trainers (TOT) on business plan (October 8-12, 2018) and pilot training programs on business plan (March 4-8, 2019, and March 11-15, 2019).

As for the tools, The MTC and TCs made improvement on them by adding case studies and modifying the contents based on the results of on-site consultancy. The developed curricula under the Project are listed in Table 5.

Table 5: Developed Curricula and Tools of Business Management Training

No of Developed Curricula	Topics	Target	Duration
1	Management Strategy & Planning	Trainers	3 days
2		Executives & managers	2 days
3	Marketing / Sales	Trainers	5 days
4		Executives & managers	3 days
5	Production & Quality Management	Trainers	5 days
6		Executives & managers	3 days
7	Financial Management	Trainers	5 days
8		Executives & managers	3 days
9	Business Skills / Management Skill	Trainers	3 days
10		Executives & managers	3 days
11	Business Plan	Trainers	5 days
12		Executives & managers	5 days

(5) Supporting the establishment of the implementation mechanism for the new training programs through conducting the model training programs for SMEs (pilot enterprises)

The implementation mechanism for the new training programs covers the processes starting from ‘needs assessment’, ‘designing of training course’, ‘developing guideline and tools’, ‘enhancing the capacity of KIBT lecturers through CRT, on-site consultancy and facilitation in model training programs’, ‘implementation of services’, to ‘assessment of the results and acquisition of new clients’, as it is shown in Figure 4.

As it was previously mentioned, development of KJ-PRIME was one of the activities for ‘developing and revising guidelines’. Development of tools in conducting the on-site consultancy and the model training programs for SMEs was the

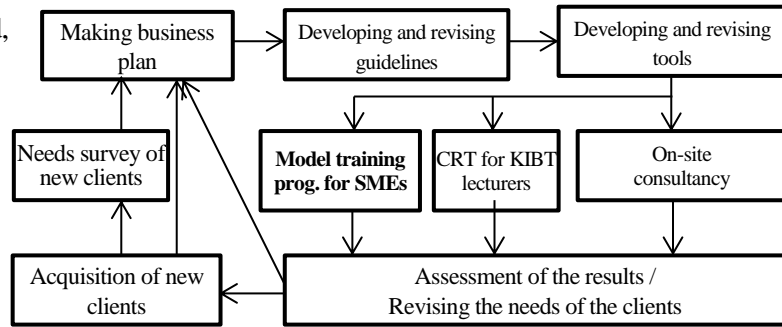


Figure 4: Cycle of Continuously Providing New Business

main activities for ‘developing and revising tools’. The implementation of model training programs for SMEs was suggested in order to establish the cycle through actual demonstration. The cycle was established and the capacity of KIBT was enhanced for implementing the new business services through the entire Project activities, especially by implementation of the model training programs as the driver of the implementation cycle.

As was explained in ‘(4) Development of guidelines and implementation tools for new business service’, the model training programs consisted of 6 curricula, ‘management strategy & planning’, ‘marketing & sales’, ‘production & quality management’, ‘financial management’, ‘management skills’ and ‘business plan’. They were implemented twice as the schedule shown in Table 6. The managers and supervisors of the pilot enterprises during the Project, as well as some enterprises which were introduced by JICA Kenya Office were invited. The MTCs and TCs played the role of instructors, with the assistance of JICA experts.

As far as the satisfaction level was concerned, in general, a high level of satisfaction was achieved in all of the programs. There was even a gap between the 1st program and the 2nd program. The satisfaction level in the 2nd program was higher than the 1st program, it was expected to be due to the improvement of the knowledge and the skills of the MTCs and TCs. On the other hand, there was some cases that the satisfaction level in the 1st program was higher than the one in the 2nd program. It might be because of the level of the participants. In the model training programs, higher positioned staff, such as managing directors, department managers, tended to participate in the 1st program rather than the 2nd program. They had the solid backgrounds of management knowledge and were certainly more eager to learn from the programs, in order to apply them to improve their business process.

Table 6: Results of Implementation of Model Training Programs for Pilot Enterprises

No	Name of the program	Number of Participants	Duration	Satisfaction Level
1	Management skill (1 st)	14	October 9 (Mon.) - 11 (Wed.), 2017	Excellent 92.3% Good 7.7%
2	Financial management (1 st)	13	October 17 (Tue.) - 19 (Thu.), 2017	Excellent 83.3% Good 16.7%
3	Management strategy / planning and marketing / sales (1 st)	10	November 6 (Mon.) - 9 (Thu.), 2017	Excellent 20.0% Good 80.0%
4	Management strategy / planning and marketing / sales (2 nd)	15	February 26 (Mon.) - March 1 (Thu.), 2018	Excellent 50.0% Good 50.0%
5	Production & quality management (1 st)	13	March 12 (Mon.) - 14 (Wed.), 2018	Excellent 69.2% Good 30.8%
6	Financial management (2 nd)	13	March 19 (Mon.) - 21 (Wed.), 2018	Excellent 75.0% Good 25.0%
7	Management skill (2 nd)	17	April 4 (Wed.) - 6 (Fri.), 2018	Excellent 75.0% Good 25.0%
8	Production & quality management (2 nd)	17	April 9 (Mon.) - 11 (Wed.), 2018	Excellent 82.4% Good 17.6%
9	Business plan (1 st)	17	March 4 (Mon.) - 8 (Fri.), 2019	Excellent 70.6% Good 29.4%
10	Business plan (2 nd)	18	March 11 (Mon.) - 15 (Fri.), 2019	Excellent 55.6% Good 44.6%



Model Training Program on Management Skills (October 9-11, 2017 at Kivi Milimani Hotel)



Model Training Program on Financial Management (October 17-19, 2017 at Kivi Milimani Hotel)

(6) Implementation of collaboration activities between KIBT and other training institutions

The JICA project team and KIBT have discussed on possible cooperation activities with other training institutions and organizations and implemented some of them since the commencement of the Project. The collaboration activities which have been implemented in the Project were as stated as follows.

(a) Collaboration on the introduction of pilot enterprises for on-site consultancy

Since the commencement of the Project, the KIBT-JICA team has asked the collaborators to introduce the candidates of pilot enterprises. The collaborators include KNCCI, KEPSA, MoITC, NPCC, TKA/Toyota Kenya, JETRO, Japanese enterprises which operates in Kenya, EPZ, Flower Watch (a flower related consulting firm), and private financial institutions (AfricInvest and Equity Bank). In the 3rd year, the KIBT-JICA team also requested the pilot enterprises in the 1st and 2nd year to introduce the candidate enterprises which were interested in the management improvement activities.

As it is shown in Table 7, 67.4% (29 enterprises) of total candidate enterprises (43 enterprises for visit study) was introduced by these collaborators in the 3 years. The ratio of the enterprises which was introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises).

Table 7: Results of Collaboration on the Introduction of Pilot Enterprises for On-Site Consultancy

Breakdown Year	Candidate Enterprises for Visit Study		Selected Pilot Enterprises	
	Introduction By Collaborators	Recommended by KIBT-JICA	Introduction By Collaborators	Recommended by KIBT-JICA
1 st Year	10 (5 EPZ, 1 JETRO, 2 Japanese Entre., 2 Equity Bank)	2	3 (1 JETRO, 1 Japanese Entre., 1 EPZ)	2
2 nd Year	11 (6 KNCCI, 1 KEPSA, 3 Japanese Entre., 1 AfricInvest)	7	6 (3 KNCCI, 2 Japanese Entre., 1 AfricInvest)	3
3 rd Year	8 (2 Flower Watch, 2 AfricInvest, 2 Japanese Entre., 2 Pilot Entre.)	5	6 (1 Flower Watch, 2 AfricInvest, 1 Japanese Entre., 2 Pilot Entre.)	1
Sub-Total	29 (67.4%)	14 (32.6%)	15 (71.4%)	6 (28.6%)
Total	43 (100%)		21(100%)	

(b) Collaboration on implementing the model training programs with Toyota Kenya and JKUAT

The KIBT-JICA team discussed with the key collaborators⁸, such as TKA/Toyota Kenya, JKUAT, on implementing the pilot business training. Especially, the collaboration between the JICA Project and TKA was in line with the policy of JICA towards TICAD VI. In August 3-5 2016, the KIBT-JICA team conducted the model training programs in collaboration with Toyota Kenya and Toyota Kenya Academy (TKA). The outline of the programs was referred to Table 8. The MTCs and JICA experts coordinated the programs together. In order to enhance the understanding of the training contents, practical exercises, as well as group works on case studies, were included in the programs. The results of participants' assessment show that most of the participants were satisfied with the programs (Table 8).

Table 8: Outline of Model Training Programs for Toyota Kenya and Toyota Kenya Academy

Subject	Date	Hours	Participants	Level of satisfaction of participants.
Management Strategy & Planning	August 3 (Wed), 2016	5	39 (Managers of Toyota Kenya, Toyota Tsusho, and Toyota Auto Mart)	Very good 40.9%, Good 59.1%
Financial Management	August 4 (Thu), 2016	5	33 (Managers of Toyota Kenya, Toyota Tsusho, and Toyota Auto Mart)	Very good 63.0%, Good 37.0%
Marketing & Sales	August 5 (Fri), 2016	5	42 (Managers of Toyota Kenya, Toyota Tsusho, and Toyota Auto Mart)	Very good 25.0% Good 62.5% Lower 12.5%

⁸ The collaborations with TKA/Toyota Kenya and JKUAT were designed in the initial plan of the Project. NPCC was regarded as a key partner of KAIZEN implementation in Kenya, since NPCC was the counterpart of JICA Project on Productivity Improvement in Kenya (2012-2014).

The KIBT-JICA team conducted two training programs in collaboration with JKUAT in March, 2017. The outline of the programs was referred to Table 9. A JICA expert and KIBT staff (an MTC and a TC) made the instruction together. One of the programs, ‘Business Skill for JKUAT students’, is modified from ‘Business Skills for New School Graduates’ in KJ-PRIME. The results of participants’ assessment show that most of the participants were satisfied with ‘Business Skill’. On the other hand, the satisfaction level was rather lower in ‘KAIZEN and Its Impact on A Company /A Nation’ (Very good 22.9%, Good 62.9%, Not so good 14.3%). One of the reasons is assumed that the students don’t have any business experience, and the importance of KAIZEN was not fully understood in the limited time (1.5 hours). This requires the change of our strategy how to explain KAIZEN to this level with much simpler languages.

Table 9: Outline of Model Training Programs for JKUAT

Subject	Date	Hours	Participants	Trainers	Level of satisfaction of participants.
Business Skill for JKUAT students	March 10 (Fri), 2017	3	34 (4th grade students)	Mr. Takeshi Fujita (JICA Expert) and Mr. Gideon Njogu (MT in PQM)	Very good 58.8% Good 38.2% Not so good 2.9%
KAIZEN and Its Impacts on A Company/A Nation	March 16 (Thu), 2017	1.5	60 (Students of Pan African University and JKUAT)	Mr. Takeshi Fujita (JICA Expert) and Mr. Patrick Nyakundi (TC in PQM)	Very good 22.9% Good 62.9% Not so good 14.3%



Model Training Program for Toyota Kenya and TKA on Marketing & Sales (August 5 2016)



Model Training Program for JKUAT on Business Skills (March 10 2017)

(c) Collaboration on sending the trainees to the TCs training program in the 3rd year

In the 2nd year, the KIBT-JICA team made a plan for the implementation of the trainers’ training program in the 3rd year. Based on the fact that most of the KIBT lecturers have been trained as the MTs or the TCs in the 1st and 2nd year, the KIBT-JICA team decided to invite the trainees from some of the collaborators which were considered to have essential human resources, and to support improvement in SME management, such as State Department of Trade, KNCCI, KIRDI, NPCC. Initially, 8 candidates were introduced by these

organizations (2 from KNCCI, 1 from KIRDI, 2 from NPCC, and 4 from Department of Internal Trade). After CV screening and individual interview, these 8 candidates were selected as the TCs in the 3rd year. Due to the withdrawal of 1 candidate from KIBT, another candidate was introduced by Department of Internal Trade and his qualification was confirmed. As a result, 9 TCs from the collaborators were trained in the 3rd year (the details are explained in '2.4 Output 2 (KIBT lecturers for the new training and consultancy programs for SMEs are empowered.').

(d) Establishment of the Coordinating Committee to enhance the cooperation with the collaborators

In the extended period of the Project, based on the suggestion from the JICA Monitoring Mission Team at the 4th JCC on April 19, 2018, the Coordinating Committee, which aimed at enhancing the collaboration with the external organizations, was established. In addition to the JCC member organizations, other organizations below who were mandated to provide business development services for MSMEs and entrepreneurship, participated in the meeting. The list of the organizations of the meeting is shown in Table 10.

Table 10: List of Organizations of the Coordinating Committee

No	Date	Venue	Members
1 st Coordinating Committee	3 rd October 2018	Weight & Measures Hall	<ul style="list-style-type: none"> ● Kenya Federation of Jua Kali Association ● KNCCI ● Kenya Industrial Estate (KIE), ● Kenyatta University ● National Industrial Training Authority (NITA) ● Post Bank
2 nd Coordinating Committee	2 nd December 2018	KIBT Parkland New Building	<ul style="list-style-type: none"> ● Post Bank ● Kenyatta University (KU) ● Kenya Industrial Estate (KIE) ● The Management University of Africa ● Kabarak University
3 rd Coordinating Committee	30 th April 2019	KIBT Parkland New Building	<ul style="list-style-type: none"> ● Kenya Federation of Jua Kali Association, ● Kabarak University ● Management University of Africa ● Kenya Industrial Estate (KIE) ● Post Bank ● KNCCI ● MSEA

It was held three times in the extended period of the Project. KIBT and the collaborators discussed on the collaboration activities, such as co-implementation of business training and consultancy.

As the result of the Coordinating Committee, KIBT and 3 universities (Kenyatta University, The Management University of Africa and Kabarak University) have agreed on the memorandum of understanding (MOU) on the co-implementation of training program for the university students. In addition, KIBT implemented the small business management training for entrepreneurs with the improved essence of the contents of the Project in collaboration with Jua Kali Association in February 2019.

(e) The study on Business Development Services (BDSs) for MSMEs

In order to enhance the collaboration between KIBT and the organizations engaged in supporting business development of enterprises, especially MSMEs, KIBT and the JICA project team conducted the study on BDSs in the extended period of the Project. The team learnt the current status of the provision of BDSs by the respective organizations and the eco-system needed to be improved for continuous provision of the services. KIBT and the organizations also discussed on the possibilities of collaboration for provision of business training and on-site consultancy for MSMEs. The summary of the study result is referred to [Appendix 5]. The team had visited the following organizations.

[Central Government and agency] State Department of Industry under MoITC, MSEA

[County Governments] Embu, Nyeri, Nakuru, Mombasa

[Human Resource Development Organizations] Strathmore University, Kenyatta University, TVET Authority, NITA Textile Training Institute / NITA Athi River, JKUAT, KITI

[Financial Institutions] AfricInvest / SFC Finance Limited, IDB Capital Limited, Post Bank, Development Bank of Kenya (DBK), Kenya Industrial Estate (KIE), Grofin, Key Microfinance Bank, SMEP Microfinance Bank, Kenya Women Microfinance Bank, U&I Microfinance Bank, Kenya Bankers Association, Equity Bank

[Industrial Park / Incubation]

KIE, Export Processing Zone (ETZ) Athi River, iHub, Gearbox, Nairobi Garage, growthafrica, CAP-Youth Empowerment Institute, Economic Projects Transformation Facility

[Donor Agency] DFID Kenya under UK Government

2.4 Output 2 (KIBT lecturers for the new training and consultancy programs for SMEs are empowered.)

(1) Capacity development of MTs

(a) Definition of MT and application criteria

In the commencement of the Project, an MT who would be developed in the Project was defined as ‘a leader who is capable of training KIBT trainer. He/she has completed the master trainer training program and achieved certain qualification’. The application criteria for the MTC are specified as the following 4 items.

[Box 1] Application criteria for the MTC

- A. Obtained bachelor degree or equivalent level, having more than five years of work experience in each management field.
- B. Having a passion for implementing training/ consultancy, and training future trainers.
- C. Having an appropriate personality as an MT to develop future trainers.
- D. Being available to participate in the project activities.

Among the 4 items, ‘an adequate personality’ is required for the MT, since he/she is expected to become a shining model with the capacity of both conducting business service and training the trainers. In addition, the MT needs to have the human capacity to encourage the behavioral change of trainers and trainees (executives and staff of SMEs) and to take leadership for realizing management improvement in the consultation activity. Table 11 shows the draft of an adequate personality required for the KIBT master trainer, based on ‘the necessary personality of management consultant’ developed by Japan Productivity Center. In the 1st On-Site Work in Kenya, the criteria were finalized according to the consultation with KIBT.

Table 11: Adequate Personality Required for MT

Appropriate Personality	Mental Personality	Sincerity	(Evaluation Measure) 5 level by each item 1.Very Low, 2.Low, 3.Medium, 4.High, 5.Very High Source: JPC makes this based on “Management Consultant Theory” developed by JPC
		Patience	
		Positiveness	
		Rational Thought	
		Cooperativity	
	Mental Capability	Creativity	
		Persuasiveness	
		Leadership	
		Analytical Capacity	
	Physical Capability	Health	
		Vitality	

(b) Selection of MTCs

In the 1st on-site work in Kenya (September 2015), 10 KIBT lecturers were recommended by KIBT as the MTCs. Through the document examination and individual interview by the JICA project team, all of them were confirmed to be qualified as the MTCs (No 1-10 in Table 12).

In March 2017 (in the middle of the 2nd year), one of the MTCs in Financial Management Field left KIBT. The KIBT-JICA team discussed on the replacement of the MTC and agreed on nominating one of the Trainers in the 2nd year (Mr. Ben Getange) as an MTC who would be trained in the 3rd year. In addition, 1 MTC in Marketing and Sales Field was transferred to a KIBT regional office in November 2017. It was found that he would not be able to participate in the training program of MT. However, since the transfer, it was confirmed that he had utilized the skills obtained for supporting the SMEs in the region through the provision of business training and consultancy.

Table 12: List of MTCs

No	Field	Name
1	Production and quality management	Ms. Carol Choge
2	Production and quality management	Mr. Gideon Njogu
3	Production and quality management	Mr. Musa Okwemba
4	Marketing and sales	Ms. Sylvia Kaburu
5	Marketing and sales	Mr. Jonathan Njogu
6	Marketing and sales	Ms. Pamella Onyango
7	Marketing and sales	Mr. David Owitti ⁹
8	Financial management	Mr. Samuel Mulei ¹⁰
9	Financial management	Mr. Job Ogolah
10	Financial management	Mr. Daniel Wechesa
11	Financial management	Mr. Ben Getange ¹¹

(c) Process of training MTs

Figure 5 shows the flow of training MTs in the Project. First, the MTCs went through the classroom training (CRT) on ‘management strategy and planning’, ‘production and quality management’, ‘marketing and sales’, and ‘financial management’, because they need to provide consultancy on their own subjects with the understanding of the relationship with other management subjects. In addition, the CRT on ‘business skills’ and ‘management skills’ were conducted for enhancing the capacities of the MTs on training middle managers and employees of the enterprises.

After the CRTs, the MTCs were trained by JICA experts through on-site consultancy.

⁹ Mr. David Owitti was transferred from KIBT Nairobi Office to KIBT Kisumu Regional Office in the end of October 2017.

¹⁰ Mr. Samuel Mulei left KIBT in March 2017 and moved to NPCC, one of the collaborators of the Project.

¹¹ Mr. Ben Getange is a Master Trainer Candidate in the 3rd year.

At the end of the 1st year, the first assessment was conducted and the candidates who fulfilled the achievement indicators proceeded to the MT practice process.

As the methodology of training the MTs is shown in Figure 6 and 7, the JICA experts conducted the training for the MTCs through CRTs and on-site consultancy in the 1st year. In the 2nd and 3rd year, the MTCs enhanced their capabilities through conducting the CRTs for the TCs and implemented on-site consultancy with the assistance of JICA experts. The capacity of the MTCs was improved through the experience of on-site consultancy, as well as providing the instructions to the TCs during the on-site consultancy.

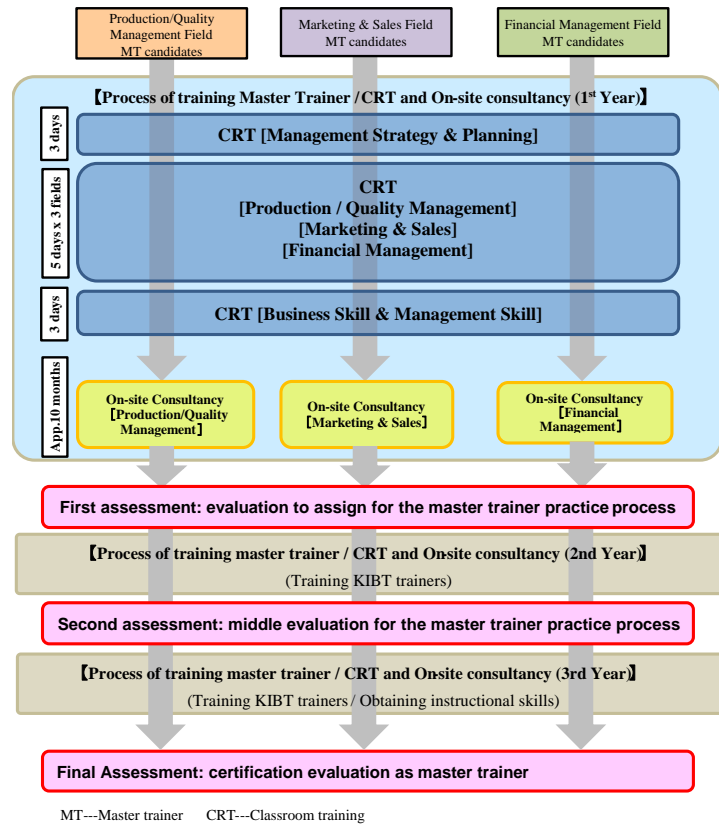


Figure.5: Flow of Training MTs

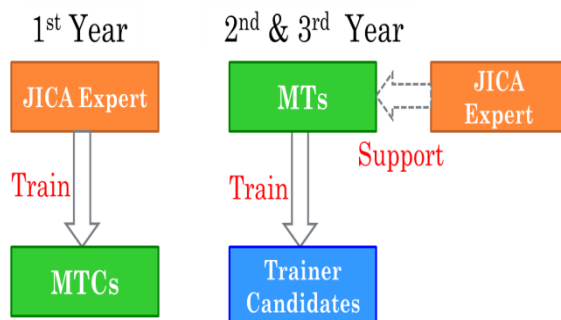


Figure 6: Training Methods for MTCs & TCs - CRT

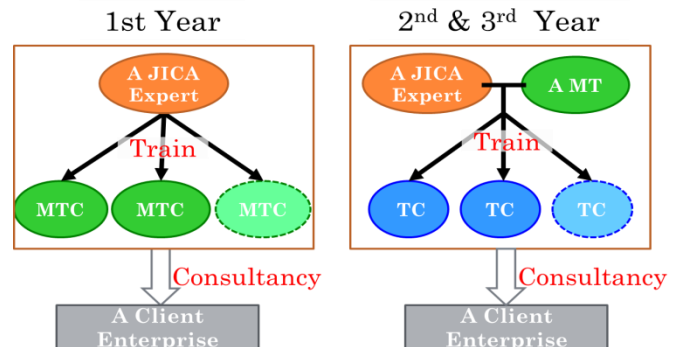


Figure 7: Training Methods for MTCs & TCs - On-site Consultancy

(d) Capacity assessment items for MTs

The capacities of the MTCs were assessed by the following 3 items; ‘A. Knowledge assessment’, ‘B. Skill assessment’ and ‘C. Personality assessment’ (Box 2).

[Box 2] Capacity assessment items

- A. Knowledge assessment: This is evaluated by paper test (s) on the subject in the end of each CRT.
- B. Skill assessment : The skills required for implementing training/consultancy and developing the trainers are evaluated by JICA experts using the skill map (described as Table 13).
- C. Personality assessment: The same criteria as the selection of the MTC are used. This is evaluated by JICA experts through CRT and on-site consultancy.

In order to conduct ‘B. Skill assessment’, the skill map was developed by taking the example of the one used in the JICA productivity improvement related projects in Tunisia, Kenya and Zambia. In the 1st On-Site Work in Kenya, the JICA expert team consulted with KIBT and completed the skill map, according to the current situation of business management of SMEs in Kenya (shown in Table 13).

In the 1st On-Site Work in Kenya, based on the skill map, the MTCs implemented the self-assessment of their skills. After consultation with the JICA expert, the baseline was confirmed.

(e) Achievement indicators for assessing the capacity development of the MTCs

The achievement indicators for assessing the MTCs are described in Box 3. The assessment is conducted three times in ‘First Assessment (in the end of the 1st year)’, ‘Second Assessment (in the end of the 2nd year)’, and ‘Final Assessment (in the end of the 3rd year)’. In each assessment, the indicators are set for periodical monitoring.

The achievement indicators, as well as the process of the assessment of the MTs, were agreed between the JICA project team and KIBT in the 1st On-Site Work in Kenya.

Table 13: Format of Skill Map (Example of Production & Quality Management Field)

Skill Map of Master Trainer (MT)- (1) Capability of Classroom Training [↙]						
[Production and Quality Management] [↙]						
Name of MT:		Name of Assessor:				
Date of Assessment:		Occasion: Baseline / First / Second Final [↙]				
Theme [↙]	Ability [↙] Level [↙]	Level 1: [↙] Not able to implement CRT [↙]	Level 2: [↙] Able to implement CRT with advice of JICA-E [↙]	Level 3: [↙] Able to implement CRT by himself/herself [↙]	Level 4: [↙] Achieve level 3 <u>and also</u> able to instruct trainers how to implement CRT [↙]	Level 5: [↙] Achieve level 4 <u>and also</u> able to revise/develop the guideline & tools [↙]
Production manage ment [↙]	Production flow [↙]	↙	↙	↙	↙	↙
	Production planning [↙]	↙	↙	↙	↙	↙
	Production control [↙]	↙	↙	↙	↙	↙
	4M [↙]	↙	↙	↙	↙	↙
	MTO and MTS [↙]	↙	↙	↙	↙	↙
5S [↙]	KAIZEN [↙]	↙	↙	↙	↙	↙
	7 Wastes [↙]	↙	↙	↙	↙	↙
	Visual Control [↙]	↙	↙	↙	↙	↙
	Layout improvement [↙]	↙	↙	↙	↙	↙
	Transportation activity index [↙]	↙	↙	↙	↙	↙
	SMED [↙]	↙	↙	↙	↙	↙
	Stock control [↙]	↙	↙	↙	↙	↙
IE [↙]	Process analysis [↙]	↙	↙	↙	↙	↙
	Work sampling [↙]	↙	↙	↙	↙	↙
	<u>Man</u> machine chart [↙]	↙	↙	↙	↙	↙
	Time study [↙]	↙	↙	↙	↙	↙
QC 7 tools [↙]	Check sheet [↙]	↙	↙	↙	↙	↙
	Pareto Chart [↙]	↙	↙	↙	↙	↙
	Fish bone chart [↙]	↙	↙	↙	↙	↙
Cost control [↙]		↙	↙	↙	↙	↙
ISO and HACCP [↙]		↙	↙	↙	↙	↙

Note: Level 1 (1 point), Level 2 (2 points), Level 3 (3 points), Level 4 (4 points), Level 5 (5 points)[↙]

Skill Map of Master Trainer (MT)- (2) Capability of On-Site Consultancy [↙]						
[Production and Quality Management] [↙]						
Name of MT:		Name of Assessor:				
Date of Assessment:		Occasion: Baseline / First / Second Final [↙]				
Theme [↙]	Ability [↙] Level [↙]	Level 1: [↙] Not able to implemen t on-site consultan cy [↙]	Level 2: [↙] Able to implement on-site consultancy with advice of JICA-E [↙]	Level 3: [↙] Able to implement on-site consultancy by himself/herself [↙]	Level 4: [↙] Achieve level 3 <u>and also</u> able to instruct trainers how to implement on-site consultancy [↙]	Level 5: [↙] Achieve level 4 <u>and also</u> able to revise/develop the guideline & tools [↙]
Produc tion manage ment [↙]	Production flow [↙]	↙	↙	↙	↙	↙
	Production planning [↙]	↙	↙	↙	↙	↙
	Production control [↙]	↙	↙	↙	↙	↙
	4M [↙]	↙	↙	↙	↙	↙
	MTO and MTS [↙]	↙	↙	↙	↙	↙
5S [↙]	KAIZEN [↙]	↙	↙	↙	↙	↙
	7 Wastes [↙]	↙	↙	↙	↙	↙
	Visual Control [↙]	↙	↙	↙	↙	↙
	Layout improvement [↙]	↙	↙	↙	↙	↙
	Transportation activity index [↙]	↙	↙	↙	↙	↙
	SMED [↙]	↙	↙	↙	↙	↙
	Stock control [↙]	↙	↙	↙	↙	↙
IE [↙]	Process analysis [↙]	↙	↙	↙	↙	↙
	Work sampling [↙]	↙	↙	↙	↙	↙
	<u>Man</u> machine chart [↙]	↙	↙	↙	↙	↙
	Time study [↙]	↙	↙	↙	↙	↙
QC 7 tools [↙]	Check sheet [↙]	↙	↙	↙	↙	↙
	Pareto Chart [↙]	↙	↙	↙	↙	↙
	Fish bone chart [↙]	↙	↙	↙	↙	↙
ISO and HACCP [↙]		↙	↙	↙	↙	↙
Cost control [↙]		↙	↙	↙	↙	↙
Consult ing tool [↙]	Proposal making [↙]	↙	↙	↙	↙	↙
	Action planning [↙]	↙	↙	↙	↙	↙
	Process control [↙]	↙	↙	↙	↙	↙

Note: Level 1 (1 point), Level 2 (2 points), Level 3 (3 points), Level 4 (4 points), Level 5 (5 points).[↙]

[Box 3] Achievement indicators for the master trainer candidate

First assessment: At the end of the first year (evaluation to assign for the master trainer practice process)

- A. Knowledge assessment: More than 70 points (total 100) on paper test
- B. Skill assessment: More than 3.0 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself)
- C. Personality assessment: More than 3.0 points on average of all items
- D. Consultancy activity assessment: “To experience in total more than 4 companies for the consultancy”, “More than 90 % of attendance of on-site consultancy”, “100% of the submission of consultancy reports”, and “At least 2 case sheets per enterprise (in total 8 cases)”

※(B) and (C) are evaluated by JICA experts

※Consultancy reports and case sheets in (D) is verified by JICA experts.

Second assessment: At the end of the second year (middle evaluation for the master trainer practice process)

- B. Skill assessment: More than 3.5 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself and also able to instruct trainers how to implement CRT or on-site consultancy at the majority of technical items)
- C. Personality assessment: More than 3.5 points on average of all items
- D. Consultancy activity assessment: “To experience in total more than 6 companies for the consultancy”, “More than 90 % of attendance of on-site consultancy”, “100% of the submission of consultancy reports”, and “At least 2 case sheets per enterprise (in total 12 cases)”

※(A) is already verified in the first assessment so A does not need to be evaluated at this assessment.

※(B) and (C) are evaluated by JICA experts

※Consultancy reports and case sheets in (D) is verified by JICA experts.

Final assessment: At the end of the project (certification evaluation as master trainer)

- B. Skill assessment: More than 4.0 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself and also able to instruct trainers how to implement CRT or on-site consultancy)
- C. Personality assessment: More than 4.0 points on average of all items
- D. Consultancy activity assessment: “To experience in total more than 8 companies for the consultancy”, “More than 90 % of attendance of on-site consultancy”, “100% of the submission of consultancy reports”, and “At least 2 case sheets per enterprise (in total 16 cases)”

※(A) is already verified in the first assessment so A does not need to be evaluated at this assessment.

※(B) and (C) are evaluated by JICA experts

※Consultancy reports and case sheets in (D) is verified by JICA experts.

(f) Implementation of classroom training (CRT) for the MTCs

The CRT programs for the MTCs on 4 management themes, namely ‘management strategy / planning and marketing / sales’, ‘business skills and management skill’, ‘financial management’ and ‘production and quality management’ were conducted in the 1st year. The outline of each CRT is shown in Table 14. The schedules and the contents of the 4 CRTs for the MTCs in the 1st year are shown in the following pages.

Table 14: Results of CRTs for MTCs

Subject	Date	Days	Rate of Attendance	Average score of test
Management strategy / planning and marketing / sales	26th (Mon.) October - 4th (Wed.) November, 2015	8	97.5%	79.6/100
Business skills and management skills	13th (Wed.) - 15th (Fri.) January, 2016	3	95%	84.4/100
Financial management	25th (Mon.) - 29th (Fri.) January, 2016	5	98%	87.6/100
Production and quality management	4th (Mon.) - 8th (Fri.) April, 2016	5	93%	93.2/100-

[Contents and Schedule of Classroom Training for MTCs in the 1st Year]

1. Management Strategy / Planning and Marketing / Sales

26th (Mon.) October - 4th (Wed.) November 2015 at Sagret Hotel Equatorial

Date	AM (9:00-12:00)	PM (13:00-16:00)
26 th (Mon.) October 2015	I. Management strategy & planning 1. Structure of management strategy • Variation speed in global competition • Strategic management definition • Vector integration for differentiation • Spontaneous innovative organization creation	[Exercise 1] How to cope with market change in global competition in case of local apparel company
27 th (Tue.) October 2015	2. Framework and tool for management strategy and planning PEST(Politics, Economy, Society, Technical) / 3C / Core competence / Growth Vector / PPM(Product Portfolio Management) / PLC(Product Life Cycle/Five forces/Value chain /Competitive strategy/STP(Segmentation, Targeting, Positioning) Business model planning framework	[Exercises 2] How to change your organization (Framework practice)
28 th (Wed.) October 2015	3. Business assessment • Business assessment flow • Business assessment structure and checkpoints	[Exercise 3] Sales down company analysis
29 th (Thu.) October 2015	II. Marketing & sales 1. Historical change for marketing theory • Changes of relationship between customers and company and the impacts on marketing theories • Customer value creation and marketing in global competition	• Strategic plan to marketing plan [Exercise 1] Food processing company How to cope with the change of consumer taste and in tough competitors?
30 th (Fri.) October 2015	1. Historical change for marketing theory (Ditto) • Organization for marketing and strategy, • Effective marketing management 2. Marketing information research and target market • The roll of marketing research and research plan	[Exercise 2] Resort hotel How to recover in consumer taste change?
2 nd (Mon.) November 2015	3. Consumer behavior and necessary actions taken • Consumer behavior and decision making • Organization buying type and structural influence • Characteristics of government purchase 4. Marketing Segmentation • Segmentation base • Positioning map	5. Marketing Mix • Basic concept • Practical approaches [Exercise 3] Food processing company How to stop the sales down trend by applying segmentation and marketing mix?
3 rd (Tue.) November 2015	6. New product development • Concept and flow • Plan and management 7. Integrated sales communications • Personal selling and relationship building • Sales management	[Exercise 4] Local Do-It-Yourself type shop How to survive to compete with larger competitors?
4 th (Wed.) November 2015	8. Analyzing market problem • Analysis frame • Pitfalls to avoid in analysis	• Group discussion III. Test & Evaluation

2.Business Skills and Management Skills

13th (Wed.) – 15th (Fri.) January, 2016 at Sagret Hotel Equatorial

Date	AM (9:00-12:00)	PM (13:00-16:00)
13 th Jan. (Wed.), 2016	I. Business Skill 1. Mindset towards the work 2. Rules at workplace 3. Teamwork 4. How to proceed with effective work - Basic PDCA - Reporting, contacting, and consulting - 5W1H+1H - Business communication	II. Management Skill 1. Roles of manager - Management and organization - Management vision & mission 2. Performance management - Performance indicators and KPI - PDCA for managers ✓ Writing the Sheet for Utilizing the Results of Training
14 th Jan., (Thu.), 2016	✓ Recap (13 th Jan.) 2. Performance management (Ditto) - Problem solving - Case study - Unsold Business Diaries 3. Training of subordinates - Process of OJT and job instruction - Motivation theories	3. Training of subordinates (Ditto) - Counseling mind - Coaching - Active listening (Exercise) ✓ Writing the Sheet for Utilizing the Results of Training
15 th Jan. (Fri.), 2016	✓ Recap (14 th Jan.) 4. Development of organizational capacity - Team management - Organizational culture - Knowledge management 5. Leadership for management innovation - Leadership theories	5. Leadership for management innovation (Ditto) - Leadership case study- (Video) Two Men Who Created Honda ✓ Recap (15 th Jan.) ✓ Writing the Sheet for Utilizing the Results of Training III. Test & evaluation

3.Financial Management

25th (Mon.) – 29th (Fri.) January 2016 at Sagret Hotel Equatorial

Date	AM (9:00-12:00)	PM (13:00-16:00)
25 th Jan. (Mon.), 2016	1. Study financial statement ➤ Balance Sheet and Profit and Loss Statement ➤ Cash flow ➤ Characteristic of typical businesses ➤ Accrual base and cash base	2. Study financial analysis (ditto) ➤ Ratio analysis ➤ Case study
26 th Jan. (Tue.), 2016	3. Study earnings /cost structure ➤ Valuable cost vs fixed cost ➤ Break-even point ➤ Days sales outstanding ➤ B/S, P/L manipulation	4. Study management account ➤ Finance organization ➤ Management A/C vs financial A/C ➤ Mid-range plan ➤ Case study
27 th Jan. (Wed.), 2016	5. Study cost accounting ➤ Cost structure ➤ Product costing ➤ Process costing	6. Study cost accounting (ditto) ➤ Weighted average vs FIFO ➤ Standard cost ➤ Variance analysis
28 th Jan. (Thu.), 2016	7. Study business management ➤ How to use analysis tools ➤ Company road-map ➤ How to analyze business performance	8. Case study ➤ Let's make a financial analysis for Company A by yourself based on 5 year financial data
29 th Jan. (Fri.), 2016	8. Case study (ditto) ➤ Let's do it by team ➤ Make presentation report to key managers of Company A	8. Case study (ditto) ➤ Team presentation 20 min. ➤ Sample presentation 20 min. 9. Test & evaluation

4. Production & Quality Management

4th (Mon.) – 8th (Fri.) April 2016 at Sagret Hotel Equatorial

Date	AM (9:00-12:00)	PM (13:00-16:00)
4 th April (Mon.), 2016	1. Structure of production management • 3 elements and 4 conditions of production • Basic function of production management 【Exercises】Making a workflow	2. How to implement 5S • Concepts of 5S and its effectiveness • 5S method implementation 【Exercises】Conducting 5S patrol
5 th April (Tue.), 2016	3. Visual management • Procedure and check points of visualization • Visualization of QCD (Quality-Cost-Delivery) and the improvement 【Exercises】Setting an improvement target by using ABC analysis	4. Eliminating waste by using IE method • Concept of IE (Industrial Engineering), how to proceed KAIZEN by IE method • Process study • Work sampling and operation analysis • Layout improvement
6 th April (Wed.), 2016	• Line-balance improvement • IE case study 5. Production plan and production control • Flow of production plan, how to make the plan • Method of production control	6. Cost accounting and cost planning • Necessity of cost management • Procedure and methods of cost accounting 【Exercises】Cost accounting - case of A company (SME)
7 th April (Thu.), 2016	7. How to implement quality control • Statistical Quality Control • QC 7 tools (pareto diagrams, cause and effect diagrams, etc.)	• How to proceed problem solving with QC story • TQM (total quality management) • QC case study 【Exercises】Analysis on quality problems by using cause and effect diagrams
8 th April (Fri.), 2016	8. Implementation of consultancy on production and quality management • How to study quality data at factory • How to promote employer's commitment and to involve on-site employees in KAIZEN	9. Test & evaluation

The satisfaction level of MTCs on the CRT was quite high. The devices taken for achieving the high level of satisfaction were as follows:

- Practical case studies of excellent enterprises in Japan and other countries were used. The analysis on business management of Kenyan enterprises was also conducted considering the application of on-site consultancy.
- In order to enhance the understanding of the MTCs, the recap of the contents in the previous day was implemented every day. The key contents of each program were intensively taught through multiple exercises.
- Most of the exercises were done through the group work. It gave the MTCs the opportunity of learning each other and transferring the knowledge among the members.



Classroom training for MTCs on Marketing & Sales



Weekly meeting of each field
(Production & Quality management)

(g) Implementation of on-site consultancy at pilot enterprises

i) List of pilot enterprises

The on-site consultancy was implemented in the 3 fields, namely ‘production and quality management’, ‘marketing and sales’ and ‘financial management’. Table 15-17 show the lists of pilot enterprises in the 3 years. The details of the on-site consultancy, such as the selection of the pilot enterprises, the themes of on-site consultancy per enterprise, are explained in ‘2.5 Output 3 (Indications to show business performance improvement at selected pilot enterprises are found.)’.

Table 15: List of Pilot Enterprises in the 1st Year

No.	Enterprise	Business sector	No. of Staff	Location	Main Products
1	Centrofood Industries	Food/agro	35	Thika	Ketchup sauce & Juice
2	Megh Cushion Industries	Auto	105	Nairobi	Automotive seat & metal parts
3	Auto Ancillaries	Auto	150	Nairobi	Leaf spring
4	Match Electrical	Fur/metal	50	Thika	Road lights & metal parts
5	Kikoy Mall	Textile	38	Athi River	Towels, Women cloth

*The on-site consultancy is provided in all the 3 fields for all the 5 pilot enterprises in the 1st year.

Table 16: List of Pilot Enterprises in the 2nd Year

No.	Enterprise	Business sector	No. of Staff	Location	Main Products	Field of consultancy*
1	Ultravetis	Food/agro	61	Nairobi	Pesticide for farm	All
2	Hope Uniforms	Textile	17	Nairobi	School uniforms	M/F
3	Turea Ltd.	Fur/metal	60	Ruiru	Mattress	All
4	Mambo Interior	Fur/metal	15	Nairobi	Wood furniture	M/F
5	Sadolin	Auto parts	300	Nairobi	Body paints	PQ
6	Balm Industries	Cosmetics	16	Kariobangi	Shampoo, hair gel, hand cream	All
7	Colour Labels Ltd	Printing	120	Nairobi	Label printing	All
8	Palmy Enterprise	Toiletry	46	Nairobi	Tissues, table napkins	All
9	Plast Packaging	Plastic	180	Nairobi	Plastic bottles	PQ

*Field of consultancy

All= Consultancy is provided in all the 3 fields. M/F=Consultancy is provided in Marketing/Sales and Financial Management Field.

PQ= Consultancy is provided in Production & Quality management Field.

Table 17: List of Pilot Enterprises in the 3rd Year

No.	Enterprise	Business sector	No. of Staff	Location	Main Products	Field of consultancy
1	Welding Alloys	Fur/Metal	100	Athi River	Welding Electrodes	All
2	Kenya Coach Ind.	Auto	180	Nairobi	Car bodies (truck, bus)	All
3	Brenan Flowers	Agro/Food	470	Thika	Flower (roses)	All
4	Plast Packaging	Packaging	180	Nairobi	Plastic bottles	M/F
5	Thika Cloth Mills	Textile	200	Thika	Cotton and polyester cloths, uniforms	PQ
6	Miyonga Fresh Greens	Agro/Food	28	Nairobi	Fresh fruits and vegetables	All
7	Chui Auto Springs Industries	Auto	75	Nairobi	Automobile leaf springs, ancillary products, wheel rims	All

*Field of consultancy

All= Consultancy is provided in all the 3 fields. M/F=Consultancy is provided in Marketing/Sales and Financial Management Field.

PQ= Consultancy is provided in Production & Quality management Field.

ii) Implementation procedure

After the selection of the pilot enterprise, the visits for the on-site consultancy were planned 6 times or more per enterprise, and the processes of the consultancy consist of ‘the 1st stage: deciding the themes of the consultancy and making the implementation plan (1 visit)’, ‘the 2nd stage: specifying main issues, making the plan of management improvement, and implementing the activities (3 visits)’, and ‘3rd stage: evaluating the results of the activities and proposing the further activities (2 visit)’.

In addition, MTCs and TCs visited each pilot enterprise approximately per month in the absence of the JICA experts in Kenya. They monitored the results of the on-site consultancy, rendered the advices for the enterprise, and made the consultancy report of their own initiatives, which enhanced the practical capacity of the MTCs on the consultancy.

In the discussion held between the JICA project team and KIBT during the 1st on-site work in Kenya, the following items were agreed on regarding the implementation of on-site consultancy.

- Since KIBT conducts business services for micro enterprises in parallel with the Project activity, it would be difficult for an MTC to attend all the visits for pilot consultancy. Therefore, as for ‘production and quality management field’ and ‘financial management field’, 2 MTCs among 3 will participate in the on-site consultancy and that other one would work other duties than the Project. As for ‘marketing and sales field’, since there are 4 MTCs in the field, 2 or 3 MTCs will be in charge of on-site consultancy for a pilot enterprise. Likewise, the allocation of the MTCs is planned in order to make the MTCs to achieve the indicator, ‘To experience in total more than 4 companies for the consultancy’.
- One of the 2 MTCs in charge of a pilot enterprise will be assigned as the leader of the field for the enterprise, so that his/her personal capacities, including positiveness, cooperativity, leadership, will be developed through the experience as a leader.
- The weekly meeting of each consultancy field will be set to be held once, to share the progress of the on-site consultancy among the JICA expert and the MTC members in the field, as well as to discuss the necessary activities for the next visits.
- The consultation experience sharing workshop is held at least once among all fields of the MTCs and JICA experts, in order to share the results (good examples, challenges, etc.) in the consultancy.

The above mentioned procedures were taken into practice. For example, the weekly meeting for each field was held and it became an important occasion to discuss the issues and the ways forward for the on-site consultancy. The consultation experience sharing workshop was held annually with the participation of all the MTCs / TCs, the JICA experts and KIBT directors. An enthusiastic argument was made on the contents and methods of on-site consultancy at each pilot enterprise among the participants. Besides, MTCs and TCs made presentations on the best practices and key factors of the success in the on-site consultancy, as well as most useful management methodologies, in the JCC and result dissemination seminars in the Project.

(h) Other methods for capacity development

The capacity development of the MTCs was enhanced through other activities, such as ‘developing the guidelines and implementation tools’, ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’. In terms of ‘developing the guidelines and implementation tools’, the first version of the guidelines and tools were developed by the JICA experts in the 1st year. They were modified and improved by the MTs and used for the CRTs for TCs in the 2nd and 3rd year.

As for ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’, these two activities were specified as the achievement indicators of ‘consultancy activity assessment’. The MTCs made the consultancy report according to each visit, in collaboration with JICA experts and TCs. They were also responsible for making a case sheet, which illustrates the best practices of business process improvement activities in each pilot enterprise. In cooperation with JICA experts and TCs, MTCs completed two case sheets per enterprise per field for the pilot enterprises in the 3 years.

(i) Assessment of capacity development of MTCs

As it is explained in ‘(e) Achievement indicators for assessing the capacity development of the MTCs’, the results of the capacity development of the MTCs were assessed periodically according to the achievement indicators. As for ‘A. Knowledge Assessment’, the achievement indicator was ‘more than 70% of the score of the test in the end of each CRT’. Table 18 shows the result of the assessment. Most of the MTCs cleared the indicators. For the MTCs who had not

Table 18: Results of Capacity Development of MTCs (1)

MTCs	A. Knowledge Assessment			
	Production & Quality Management	Marketing / Sales	Financial Management	Business / Management Skills
1	92%	60%	72%	68%
2	84%	80%	96%	96%
3	96%	80%	88%	96%
4	96%	80%	100%	80%
5	96%	88%	92%	84%
6	92%	92%	84%	84%
7	92%	72%	88%	84%
8	96%	84%	80%	84%
9	92%	80%	88%	72%
10	96%	80%	88%	96%
11	80%	-	60%	64%

[Achievement Indicators in the Final Assessment]
A. Knowledge assessment: More than 70 points (total 100) on the test in each CRT

fulfilled the indicators, supplemental training sessions were provided and the knowledge obtained was re-assessed after the sessions. For an MTC who could not participate in the CRT on Marketing / Sales due to other official duties, the supplemental training sessions were also provided and the knowledge obtained was assessed after the sessions.

Table 19 shows the results of assessment on ‘B. Skill Assessment’, ‘C. Personality Assessment’, ‘D. Consultancy Activity Assessment’ and ‘Result of Certification’. As for ‘B. Skill Assessment’ and ‘C. Personality Assessment’, the results of monitoring assessments are also shown. As it is indicated in Table 19, 8 MTCs were finally certified as the MT. 3 MTCs were not certified as the MT, because;

- 1 MTC in Financial Management Field left KIBT in March 2017. To supplement the MT, a Trainer who was trained in the 2nd year joined the training program as an MTC at the beginning of the 3rd year (October 2017).
- In November 2017, 1 MTC in Marketing and Sales Field was transferred to a KIBT regional office (Kisumu Region) and it was found that he would not be able to participate in the training program for MT. However, it was confirmed that he has utilized the skills obtained for supporting the SMEs in the region, since he moved. He provided business training by using the improved training tools. And he has an agreement with 4 enterprises (2 food, 1 textile and 1 metal) in Kisumu on the provision of on-site consultancy and will implement it in 2019/2020 FY.
- 1 MTC who had joined the Practice Process of Training of MT training program in the 3rd year, it was confirmed that he needed to have more practical experiences of on-site consultancy before being certified as an MT, since he went through the Practice Process of Training of MT only for a year (the MTC is supposed to experience the process for 2 years).

Table 19: Results of Capacity Development of MTCs (2)

MTCs	B. Skill Assessment									C. Personality Assessment			D. Consultancy Activity Assessment				Result of certification
	CRT				OSC					1st	2nd	Final	(1) No. of pilot enterprises	(2) Attendance rate	(3) Submission of consulting report	(4) Submission of case sheet	
	Baseline	1st	2nd	Final	Baseline	1st	2nd	Final									
1	2.33	3.10	3.81	4.14	2.13	3.00	3.50	4.21	3.40	3.70	4.20	8	83.7%	100%	16	Certified as MT	
2	2.38	3.14	3.57	4.10	2.17	3.00	3.54	4.00	3.40	3.70	4.00	8	89.3%	100%	16	Certified as MT	
3	2.33	3.00	3.52	4.29	2.13	3.00	3.58	4.08	3.40	3.70	4.00	8	86.3%	100%	16	Certified as MT	
4	2.64	3.00	3.50	-	2.50	3.00	3.50	-	3.00	3.36	3.54	6	91.3%	100%	12	Not certified as MT	
5	2.71	3.00	3.50	4.00	2.14	3.00	3.50	4.00	3.00	3.36	4.00	8	97.0%	100%	16	Certified as MT	
6	2.79	3.00	3.50	4.00	2.29	3.00	3.50	4.00	3.00	3.36	4.00	8	90.5%	100%	16	Certified as MT	
7	2.43	3.14	3.79	4.00	2.43	3.00	3.64	4.00	3.70	4.09	4.09	8	95.9%	100%	16	Certified as MT	
8	2.11	3.06	-	-	2.18	3.00	-	-	3.00	-	-	8	91.6%	100%	16	Certified as MT	
9	2.17	3.00	3.50	4.00	2.09	3.00	3.45	4.00	3.00	3.50	4.10	8	94.9%	100%	16	Certified as MT	
10	2.50	3.44	3.56	4.28	2.09	3.09	3.45	4.36	3.30	3.50	4.20					Not certified as MT	
11	2.22	2.50	-	3.00	2.18	2.45	-	3.00	3.20	-	3.40	6	91.7%	100%	12	Not certified as MT	

[Achievement Indicators in the Final Assessment]

B. Skill assessment: More than 4.0 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself and also able to instruct trainers how to implement CRT or on-site consultancy)

C. Personality assessment: More than 4.0 points on average of all items

D. Consultancy activity assessment : "To experience in total more than 8 companies for the consultancy", "More than 90 % of attendance of on-site consultancy", "100% of the submission of consultancy reports", and "At least 2 case sheets per enterprise (in total 16 cases)"

(2) Capacity development of Trainers

(a) Process of training TCs and achievement indicators

In the 2nd and 3rd year, the MTs trained the Trainer

Candidates (TCs) with the assistance of JICA

experts and enhanced their own practical capacity

as senior trainer through the experiences. The flow

of training TCs is shown in Figure 8. Similar to the

training of the MTCs in the 1st year, the CRTs

consist of the program on the 4 management

themes, such as ‘management strategy & planning’,

‘production & quality management’, ‘marketing &

sales’, ‘financial management’ and ‘business &

management skills’. After the CRTs, the TCs joined

the team of on-site consultancy of one of the 3

management fields, namely ‘production & quality management’, ‘marketing & sales’, and ‘financial

management’. Through on-site consultancy, they were trained for 10 months by the MTCs and the JICA

expert.

In August 2016, The JICA project team and KIBT agreed on the assessment items and achievement indicators

for TCs (shown in Box 4). The capacity assessment items are the same as the ones for the MTs, but necessary

achievement levels in each item are different (Box 4).

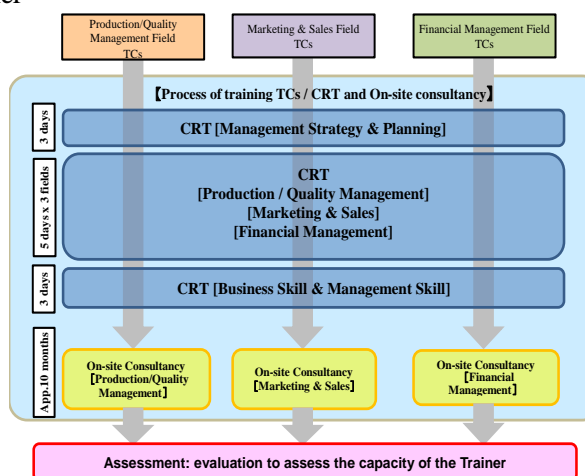


Figure 8: Flow of Training the TCs

[Box 4] Achievement indicators for the Trainer Candidates (TCs)

- A. Knowledge assessment: More than **60 points** (total 100) on paper test
- B. Skill assessment: More than **2.5 points** on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself)
- C. Personality assessment: More than **3.0 points** on average of all items
- D. Consultancy activity assessment : “To experience in total more than 4 companies for the consultancy”, “More than 90 % of attendance of on-site consultancy”, “100% of the submission of consultancy reports”, and “More than 2 case sheets per enterprise”

※(B) and (C) are evaluated by JICA experts

※Consultancy reports and case sheets in (D) is verified by JICA experts.

(b) Training of the TCs in the 2nd year

i) Selection of TCs

In July and August 2016, the KIBT and the JICA project team went through the selection process of the TCs

for the 2nd year. First, KIBT recommended 9 staff as the TCs. As the result of the document examination on

their CVs, the JICA project team confirmed that 8 of them had the necessary qualifications for individual

interview. One was disqualified due to lack of expertise. KIBT nominated 1 other lecturer as a replacement.

The individual interview with each nominee by the JICA project team was conducted in the beginning of August 2016. As the result, the 9 nominees were confirmed to be qualified as TCs (Table 20).

The Kick off Meeting for the 2nd year was held on 15th August 2016. In the meeting, the process, the methods and the schedule of training were explained to the TCs.

Table 20: List of TCs in the 2nd Year

No	Field	Name
1	Production & quality management	Mr. John Koross
2	Production & quality management	Mr. Patrick Nyakundi
3	Production & quality management	Mr. Solomon Kiawa
4	Marketing & sales	Ms. Grace Fikirini
5	Marketing & sales	Ms. Roseline Mumbo
6	Marketing & sales	Mr. Amos Mulinge
7	Financial management	Mr. Ben Getange
8	Financial management	Mr. Patrick Mwaura
9	Financial management	Mr. Reuben Ngeno

ii)Implementation of CRT

The 4 CRTs were conducted for the TCs as they are shown in Table 21. As was previously mentioned, the CRTs were mainly instructed by the MTCs. Training sessions were allocated to the MTCs. The JICA experts sat aside and provided assistance when it was necessary. Through having the experiences as instructors, the practical capacities of MTs were enhanced. In addition, learning from the instructions of other MTs gave the MT practical insights on how to improve one's own presentation skill.

Table 21: Results of CRTs for TCs in the 2nd Year

Subject	Date	Days	Rate of Attendance	Average score of test
Management strategy / planning and marketing / sales	10 th (Mon.) -14 th (Fri.) and 17 th (Mon.) - 19 th (Wed.) October, 2016	8	74.3%	79.4/100
Production and quality management	28 th (Mon.) November - 2 nd (Fri.) December, 2016	5	88.9%	86.2/100
Business skills and management skills	5 th (Mon.) - 7 th (Wed.) December, 2016	3	98%	80.4/100
Financial management	13 th (Mon.) - 17 th (Fri.) February, 2017	5	86.7%	58.2/100

The contents of the 4 CRTs for the TCs were almost the same as [Contents and Schedule of Classroom Training for MTCs in the 1st Year]. The rate of attendance was generally high through all the programs. As for the test scores, except for the CRT on ‘Financial Management’, all of the TCs cleared the achievement indicator of ‘more than 60 points (total 100)’ in ‘A. Knowledge assessment’. In terms of CRT on ‘Financial Management’, there were some TCs who scored below 60 points, since the understanding of TCs was not sufficient enough. Supplementary training was held for them in March 2017.



CRT for TCs on Marketing & Sales instructed by MTCs



CRT for TCs on Production & Quality Management instructed by MTCs

iii) Implementation of on-site consultancy at pilot enterprises in the 2nd year

The TCs in the 2nd year were trained through the implementation of on-site consultancy. The list of pilot enterprises for the 2nd year is shown in Table 16. The details of the selection of the pilot enterprises, as well as the themes of on-site consultancy, are explained in ‘2.5 Output 3 (Indications to show business performance improvement at selected pilot enterprises are found.)’.

The implementation procedures of on-site consultancy in the 2nd years are as follows;

- One or two MTCs are assigned per pilot enterprise per field, while two TCs are assigned per pilot enterprise per field.
- As was done in the 1st year, the visits for the on-site consultancy are planned at 6 times per enterprise, and the processes of the consultancy consisted of ‘the 1st stage: deciding the themes of the consultancy and making the implementation plan (1 visit)’, ‘the 2nd stage: specifying main issues, making the plan for management improvement, and implementing the activities (3 visits)’, and ‘the 3rd stage: evaluating the results of the activities and proposing further activities (2 visits)’. The MTCs and TCs are expected to visit the pilot enterprises approximately once per enterprise in the absence of the JICA experts in Kenya.
- The meeting of each consultancy field is conducted once a week, to share the progress of the on-site consultancy among the JICA expert, the MTCs, and the TCs in the field, as well as to discuss the necessary activities for the next visits.

The on-site consultancy for the pilot enterprises in the 2nd year started at the beginning of October 2016.

iv) Other methods for capacity development

As the same as the MTs, the capacity development of the TCs was enhanced through other activities, such as ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’. As for ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’, these two activities are specified as the achievement indicators of ‘consultancy activity assessment’. The TCs made the consultancy report according to each visit, with the assistance of the MTCs and JICA experts. They also completed two case sheets per enterprise per field for the pilot enterprises in the 2nd year, in collaboration with MTC and JICA experts.

v) Assessment of capacity development

As explained in ‘(a) Process of training TCs and achievement indicators’, the results of the capacity development of the TCs was assessed at the end of the 2nd year (July 2017) according to the achievement indicators. As for ‘A. Knowledge Assessment’, the achievement indicator was ‘more than 60% of the score of the test in the end of each CRT’. Table 22 shows the result of the assessment. Most of the TCs cleared the indicators. For the TCs who had not fulfilled the indicators, supplemental

Table 22: Results of Capacity Development of TCs in the 2nd year (1)

TCs	A. Knowledge Assessment			
	Production & Quality Management	Marketing / Sales	Financial Management	Business / Management Skills
1	84%	80%	32%	76%
2	84%	76%	48%	84%
3	88%	76%	68%	88%
4	92%	-	64%	84%
5	80%	80%	56%	88%
6	84%	80%	60%	72%
7	80%	-	60%	64%
8	92%	84%	68%	84%
9	92%	80%	68%	84%

[Achievement Indicator] A. Knowledge assessment: More than 60 points (total 100) on the test in each CRT

training sessions were provided and the knowledge obtained was re-assessed after the sessions. For the 2 TCs who could not participate in the CRT on Marketing / Sales due to other official duties, supplemental training sessions were also provided and the knowledge obtained was assessed after the sessions.

Table 23 shows the results of assessment on ‘B. Skill Assessment’, ‘C. Personality Assessment’, ‘D. Consultancy Activity Assessment’ and ‘Result of Certification’. Most of the TCs achieved the achievement indicators. For the 4 TCs who could not achieved the achievement indicator of the attendance of on-site consultancy (more than 90% of attendance), the results of on-site consultancy were shared through supplemental trainings and periodical meetings of each consultancy field. As a result of the final assessment, all of the 9 TCs in the 2nd year were confirmed to be certified as the Trainers in the Project.

Table 23: Results of Capacity Development of TCs in the 2nd year (2)

TCs	B. Skill Assessment				C. Personality Assessment	D. Consultancy Activity Assessment				Result of certification
	CRT		OSC			(1) No. of pilot enterprises	(2) Attendance rate	(3) Submission of consulting report	(4) Submission of case sheet	
	Baseline	Final	Baseline	Final						
1	2.32	3.23	1.52	3.20	3.70	4	74.0%	100%	8	Certified as Trainer
2	2.09	3.32	1.76	2.72	3.90	4	74.0%	100%	8	Certified as Trainer
3	1.59	3.23	1.76	2.92	3.50	4	73.0%	100%	8	Certified as Trainer
4	2.00	3.00	2.00	3.00	3.18	4	100.0%	100%	8	Certified as Trainer
5	2.00	3.00	2.00	2.86	3.09	4	92.0%	100%	8	Certified as Trainer
6	2.00	2.00	2.00	2.00	3.00	4	81.3%	100%	8	Certified as Trainer
7	2.22	2.50	2.18	2.50	3.20	4	94.4%	100%	8	Certified as Trainer
8	2.17	2.72	2.18	2.55	3.40	4	95.8%	100%	8	Certified as Trainer
9	2.17	2.61	2.18	2.55	3.50	4	90.2%	100%	8	Certified as Trainer

[Achievement Indicators]

B. Skill assessment: More than 2.5 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself)

C. Personality assessment: More than 3.0 points on average of all items

D. Consultancy activity assessment: '(1) To experience in total more than 4 companies for the consultancy', '(2) Attendance of on-site consultancy: more than 90% of attendance', '(3) 100% of submission of consultancy report by team', '(4) At least 2 case sheets per enterprise (in total 8 cases)'

(c) Training of the TCs in the 3rd year

i) Selection of the TCs

As referred to in '2.3 Output 1. (6)-(c) Collaboration on sending the trainees to the TCs training program in 3rd year', it was decided by the KIBT-JICA team at the end of the 2nd year that the TC's training program in the 3rd year would be implemented by inviting trainees from the collaborators, such as KNCCI, KIRDI, NPCC, and Department of Internal Trade. 8 candidates were introduced by these organizations (2 from KNCCI, 1 from KIRDI, 2 from NPCC, and 3 from State Department of Trade). And 1 lecturer of KIBT also applied. In July 2017, the selection was done through the document examination on their CVs and individual interview. As the result, these 9 candidates were selected as the TCs in the 3rd year. The Kick off Meeting for the 3rd year was held on 20th July 2017. In the meeting, the process, the methods and the schedule of training were explained to the TCs.

However, it was found in September 2017 that one of the TCs from KIBT, who was stationed at KIBT Regional Office, could not participate in the training program, because there was not enough financial resources to cater for the TC's travel allowance for staying in Nairobi during the 3rd year. As a result, the KIBT-JICA team discussed with the Department of Internal Trade on the possibility of sending one more candidate. It was concluded that one officer from the Department of Internal Trade would joined the training program from the end of October 2017. The final list of the TCs in the 3rd year was shown in Table 24.

Table 24: List of TCs in the 3rd Year

No	Field	Name	Organization
1	Production & quality management	Ms. Agnes Mueni Sammy	KIRDI
2	Production & quality management	Ms. Emily Kagendo Mutegi	NPCC
3	Production & quality management	Ms. Wilbroda Namunapa Okaka	NPCC
4	Marketing & sales	Ms. Mabel Ambiyi Omurambi	KNCCI
5	Marketing & sales	Mr. Alex Kachumo Tomereng	Internal Trade
6	Marketing & sales	Mr. Lucas R. W. Mwago	Internal Trade
7	Financial management	Mr. Stephen Osedo	KNCCI
8	Financial management	Mr. Tobias Odongo Ogondi	Internal Trade
9	Financial management	Mr. Japheth Atito	Internal Trade

ii)Implementation of CRT

The 4 CRTs were conducted for the TCs as shown in Table 25. As the same as in the previous year, the CRTs were instructed by the MTCs. Most of the TCs achieved the target indicators of attendance rate (more than 90%) and score of the paper tests (more than 60 points of total 100). For the participants who had not fulfilled the rate of attendance and/or the score of the test, supplemental training sessions were provided and the knowledge obtained was re-assessed after the sessions.

Table 25: Results of CRTs for TCs in the 3rd Year

Subject	Date	Days	Rate of Attendance	Average score of test
Management strategy / planning and marketing / sales	20 th (Wed.) -29 th (Fri.) September, 2017	8	88.0%	78.7/100
Production and quality management	20 th (Mon.) – 24 th (Fri.) November, 2017	5	91.7%	87.0/100
Financial management	5 th (Mon.) – 9 th (Fri.) February, 2018	5	100%	73.3/100
Business skills and management skills	29 th (Tue.) May – 31 st (Thu.) May, 2018	3	66.7%	82.0/100

*More than 60 points (total 100) on paper test in all the subjects is the indicator to pass the knowledge assessment.



CRT for TCs on Management Strategy / Planning and Marketing / Sales instructed by MTCs



CRT for TCs on Production & Quality Management instructed by MTCs

iii) Implementation of on-site consultancy at pilot enterprises in the 3rd year

The TCs in the 3rd year were trained through the implementation of on-site consultancy, as the same in the 2nd year. The list of pilot enterprises in the 3rd year is shown in Table 17. The details of the selection of the pilot enterprises, as well as the themes of on-site consultancy, are explained in ‘2.5 Output 3 (Indications to show business performance improvement at selected pilot enterprises are found.)’.

The implementation procedures of on-site consultancy in the 3rd years were as follows;

- 1 or 2 MTCs were assigned per pilot enterprise per field, while 2 TCs were assigned per pilot enterprise per field.
- As done in the 1st and 2nd year, the visits for the on-site consultancy were planned at least 6 times per enterprise, and the processes of the consultancy consisted of ‘the 1st stage: deciding the themes of the consultancy and making the implementation plan (1 visit)’, ‘the 2nd stage: specifying main issues, making the plan of management improvement, and implementing the activities (3 visits)’, and ‘the 3rd stage: evaluating the results of the activities and proposing the further activities (2 visits)’. The MTCs and TCs were expected to visit the pilot enterprises approximately once per enterprise in the absence of the JICA experts in Kenya.
- The meeting for each field was conducted once a week, to share the progress of on-site consultancy among the JICA expert, the MTCs, and the TCs in the field, as well as to discuss the necessary activities for the next visits.

The on-site consultancy for the pilot enterprises in the 3rd year started at the beginning of October 2017.

iv) Other methods for capacity development

The same as the MTCs and the TCs in the previous years, the capacity development of the TCs in the 3rd year was enhanced through other activities, such as ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’. As for ‘making the consultancy report’, and ‘making the case sheets on management improvement as pilot enterprises’, these two activities were specified as the

achievement indicators of ‘consultancy activity assessment’. The TCs made the consultancy report according to each visit, with the assistance of the MTCs. They completed two case sheets per enterprise for the pilot enterprises in the 3rd year.

v)Assessment of capacity development

As explained in ‘(a) Process of training TCs and achievement indicators’, the results of the capacity development of the TCs was assessed in the end of the 3rd year (June 2018), according to the achievement indicators. As for ‘A. Knowledge Assessment’, the achievement indicator was ‘more than 60% of the test score in the end of each CRT’. Table 26 shows the result of the assessment. Most of the TCs cleared the indicators. For the TCs who had not

Table 26: Results of Capacity Development of TCs in the 3rd year (1)

TCs	A. Knowledge Assessment			
	Production & Quality Management	Marketing / Sales	Financial Management	Business / Management Skills
1	84%	76%	80%	76%
2	84%	76%	44%	88%
3	92%	76%	88%	84%
4	87%	96%	80%	84%
5	88%	-	56%	80%
6	88%	-	80%	-
7	80%	76%	92%	-
8	92%	72%	60%	80%
9	88%	-	80%	-

[Achievement Indicator] A. Knowledge assessment: More than 60 points (total 100) on the test in each CRT

fulfilled the indicators, supplemental training sessions were provided and the knowledge obtained was re-assessed after the sessions. For the TCs who could not participate in the CRT on Marketing / Sales and Business Skills / Management Skills due to other official duties, supplemental training sessions were also provided and the knowledge obtained was assessed after the sessions.

Table 27 shows the results of the assessment on ‘B. Skill Assessment’, ‘C. Personality Assessment’, ‘D. Consultancy Activity Assessment’ and ‘Result of Certification’. Most of the TCs achieved the achievement indicators. For the 2 participants who could not achieved the achievement indicator of the attendance of on-site consultancy (more than 90% of attendance), the supplemental trainings and the meetings to share the results of on-site consultancy were held. As the result of the final assessment, all of the 9 TCs in the 3rd year were confirmed to be certified as the Trainers in the Project.

Table 27: Results of Capacity Development of TCs in the 3rd year (2)

MTCs	B. Skill Assessment				C. Personality Assessment	D. Consultancy Activity Assessment				Result of certification
	CRT		OSC			(1) No. of pilot enterprises	(2) Attendance rate	(3) Submission of consulting report	(4) Submission of case sheet	
	Baseline	Final	Baseline	Final						
1	1.32	2.50	1.24	2.50	3.50	4	93.0%	100%	8	Certified as Trainer
2	1.50	2.50	2.00	2.52	3.50	4	90.0%	100%	8	Certified as Trainer
3	1.43	2.50	1.20	2.52	3.50	4	90.0%	100%	8	Certified as Trainer
4	2.50	3.00	2.50	3.00	3.36	4	100.0%	100%	8	Certified as Trainer
5	2.71	3.00	2.00	3.00	3.00	4	96.0%	100%	8	Certified as Trainer
6	2.36	2.79	2.43	3.00	3.36	4	92.0%	100%	8	Certified as Trainer
7	2.00	3.11	2.36	3.50	3.20	4	86.0%	100%	8	Certified as Trainer
8	2.61	2.89	2.73	3.50	3.40	4	85.0%	100%	8	Certified as Trainer
9	2.00	2.78	2.18	3.60	3.50	4	100.0%	100%	8	Certified as Trainer

[Achievement Indicators]

B. Skill assessment: More than 2.5 points on average of all capacity items on Skill Map (Able to implement CRT or on-site consultancy by himself/herself)

C. Personality assessment: More than 3.0 points on average of all items

D. Consultancy activity assessment: '(1) To experience in total more than 4 companies for the consultancy', '(2) Attendance of on-site consultancy: more than 90% of attendance', '(3) 100% of submission of consultancy report by team', '(4) At least 2 case sheets per enterprise (in total 8 cases)'

(3) Capacity development of trainers on specific topics

In the Project, in addition to the 3 main management fields, such as 'production & quality management', 'marketing & sales', 'financial management', the trainers in other 2 specific management topics, namely, 'business & management skills' and 'business plan' were trained.

(a) Training of trainers (TOT) on business skills / management skills (BS/MS)

i) Selection of the TCs

In the beginning of October 2017, KIBT and the JICA team agreed to select 3 lecturers (shown in Table 28), who were the trainers in the 2nd year, as the TCs on BS/MS.

Table 28: List of TCs on Business Skills / Management Skills

No	Name	Organization
1	Mr. John Koross	KIBT
2	Mr. Patrick Nyakundi	KIBT
3	Ms. Roseline Mumbo	KIBT

ii) Process of training the TCs

The process of training the 3 TCs is shown in Figure 9. Since they were the TCs in the 2nd year, they had gone through the CRT on BS/MS. After the selection of the TCs, they participated in the 1st model training on management skills in October 9 (Mon.) - 11 (Wed.), 2017. They observed how the JICA expert instructed the programs, as well as taking the roles of assisting group works and conducting the recaps of the contents of previous days.

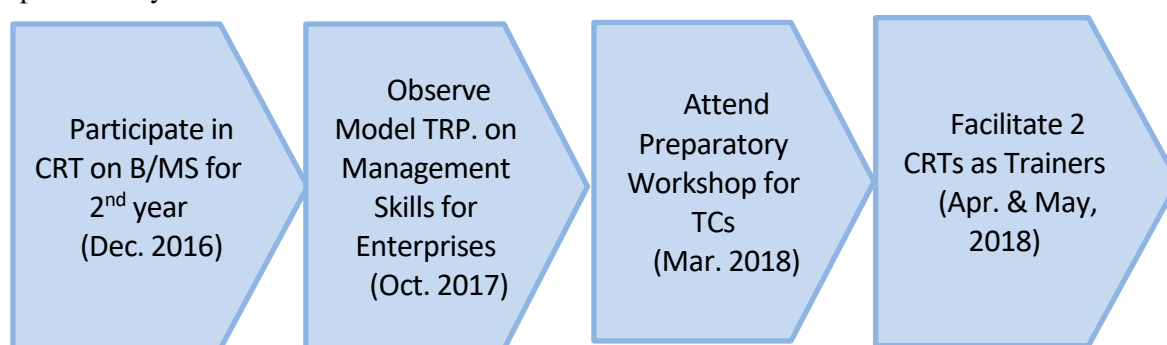


Figure 9: Process of Training the TCs on Business Skills / Management Skills

In order to play the roles as the trainers in the 2nd model training on management skills in April 4-6, 2018, 2 preparatory workshops were conducted for the 3 TCs. In the 1st workshop, the persons who would be in charge of each training items were specified and general guidance of entire program was made. The 2nd workshop was implemented individually (for each TC) and the guidance on each training item were provided by the JICA expert.

The 3 TCs took the roles as the trainers in both the 2nd model training on management skills (April 4-6, 2018) and the CRT on business & management skills for the TCs in the 3rd year (May 29-31, 2018) under the supervision of the JICA expert. They enriched the knowledge and skills as the instructors through the actual practices of conducting the training programs. After the CRTs and capacity assessment, they were confirmed to be qualified as the trainer on BS/MS.

(b) Training of Trainers (TOT) on Business Plan (BP)

i) Selection of the TCs

Training of the trainer on business plan was specified as one of the activities in the extended period of the Project. In the beginning of September 2018, the invitation of the application to the TCs was sent to the members of the JCC and other KIBT's collaborators. Finally, 17 participants from 7 organizations attended the Training of Trainers on BP on October 8, 9, 11 and 12, 2018 (Table 29). The contents and schedule of the TOT is shown in the next page.

Table 29: List of Participants in the TOT on Business Plan

No.	Name	Organization
1	Ms. Susan Njoki Mwangi	KIBT
2	Mr. Samson Odoyo Oando	KIBT
3	Mr. Cyrus Ndung'u Wainaina	KIBT
4	Ms. Carolyn Choge	KIBT
5	Mr. Gideon Njogu Muchira	KIBT
6	Mr. Charles Murage Njeru	MSEA
7	Mr. Stephen Kimani Kuria	Toyota Kenya Foundation
8	Mr. Bosco Pius Olengiyaa	NPCC
9	Ms. Emily Mwita Boke	NPCC
10	Mr. David Ekasiba Lukol	NPCC
11	Mr. Stephen Osedo	KNCCI
12	Mr. Abdifatah Dakane	KNCCI
13	Ms. Valerie Kadzo	KNCCI
14	Mr. George Oswald Ong'ondo	Internal Trade
15	Ms. Fatuma Bonaya	Internal Trade
16	Mr. Melvin Muhatia Mulama	Internal Trade
17	Ms. Caroline W. Irungu	Kenya Institute of Management

[Contents and Schedule of TOT on Business Plan]

8th (Mon.) – 9th (Tue.) and 11th (Thu.) – 12th (Fri.) October 2018 at Kivi Milimani Hotel

Date	AM (9:00-12:00)	PM (13:00-16:00)
8 th Oct. (Mon.)	1. Business Plan <ul style="list-style-type: none"> ➤ What is Business Plan ➤ Company Road Map ➤ How to build Business Plan ➤ Business Plan Building Process ➤ How to improve Business Plan 	2. Frameworks for Business Plan <ul style="list-style-type: none"> ➤ Pest, SWOT, 3C, 5 forces ➤ Growth Vector, PPM ➤ Product Life-Cycle ➤ Domain, Positioning etc ➤ External/Internal Analysis ➤ Positioning MAP, etc
9 th Oct. (Tue.)	3. How to build Business Plan <ul style="list-style-type: none"> ➤ Concept Domain, Target P&L ➤ Order/Revenue by products, customer, Marketing Cost ➤ Headcount, Break-Even Point ➤ Cash Flow etc. 	4. Case Study by Group <ul style="list-style-type: none"> ➤ Let's make business plan for A company
11 th Oct. (Thu.)	4. Case Study by Group (Ditto) <ul style="list-style-type: none"> ➤ Let's make business plan for A company 	4. Case Study by Group (Ditto) <ul style="list-style-type: none"> ➤ Group Presentation and Q&A ➤
12 th Oct. (Fri.)	5. Business Plan for Third Party (Bank) <ul style="list-style-type: none"> ➤ How to summarize the Biz Plan ➤ How to make the Biz Plan report when Cash is required 	6. Wrap up and comprehension Test <ul style="list-style-type: none"> ➤ Test & Evaluation

After the TOT, based on the results of the test and performance, the JICA project team and KIBT selected 7 TCs who would instruct and facilitate ‘the model training programs on business plan for business executives’ held in March 2019 (Table 30).

Table 30: List of TCs on Business Plan

No.	Name	Organization
1	Ms. Carolyn Choge	KIBT
2	Mr. Gideon Njogu Muchira	KIBT
3	Mr. Stephen Kimani Kuria	Toyota Kenya Foundation
4	Mr. Bosco Pius Olengiyaa	NPCC
5	Ms. Emily Mwita Boke	NPCC
6	Mr. Abdifatah Dakane	KNCCI
7	Mr. George Oswald Ong'ondo	Internal Trade

ii) Process of training the TCs

The TCs joined the 2-day preparatory workshop on 20th (Wed.) and 26th (Tue.) February 2019, in order to learn how to facilitate the program, as well as recap the contents of the program. After this workshop, the TCs facilitated 2 model training programs for pilot enterprises on BP. The contents of the program were almost the same as the one of TOT on BP, but one day was allocated that the participants made a business plan for their own enterprise based on their own management information and financial data. It was evaluated as very practical by the participants, since they could use the plan soon after the program. In order to make the participating enterprises create a business plan as appropriate as possible, the KIBT-JICA team encouraged each enterprise to send 2-3 directors / managers in charge of different departments to the same training program. The TCs and JICA experts, like the mentors, assisted each enterprise for improving the business plan.

After the model training programs and capacity assessment, they were confirmed to be qualified as the trainer on BP.

In addition, in July 2019, the training program on business plan was implemented for KIBT lecturers, who have not participated in the programs on business plan, including those who were recruited in May 2019. The Trainers on Business Plan from KIBT, as well as JICA experts, played the roles of the facilitators. The knowledge necessary for supporting the enterprise of creating a business plan was shared among KIBT lecturers.

Table 31 shows the outline of all the training programs related to BP.

Table 31: List of Training Programs on Business Plan

No	Name of the program	No. of Part.	Duration	Satisfaction Level
1	The TOT on Business Plan	17	October 8 (Mon.), 9 (Tue.), 11(Thu.),12(Fri.), 2018	Excellent 29.4% Good 70.6%
2	Preparatory Workshop for Trainers Candidates	7	February 20 (Wed.) and 26 (Tue.), 2019	Not taken
3	The Model Training Program on Business Plan for Business Executives (1 st)	17	March 4 (Mon.) - 8 (Fri.), 2019	Excellent 70.6% Good 29.4%
4	The Model Training on Business Plan for Business Executives (2 nd)	18	March 11 (Mon.) - 15 (Fri.), 2019	Excellent 55.6% Good 44.4%
5	Training Program on Business Plan ¹² for KIBT Lecturers	16	July 3 (Wed.) – 5 (Fri.), 2019*	Excellent 53.3% Good 46.7%

(4) Promotion and transfer of KIBT lecturers (including the MTCs and TCs in the 2nd year)

In the end of March 2017, 14 KIBT lecturers, including 7 MTCs and 7 TCs in the 2nd year, applied for promotion in other departments of the State Department of Trade. In June 2017, it was confirmed that 13 lecturers (6 MTCs and 7 TCs) were promoted and transferred to the other departments. JICA Kenya Office and the project team re-acted immediately and proposed to the Principal Secretary (PS), the Ministry of Industry, Trade and Cooperatives, that these lecturers should be retained at least until the end of the Project, in order to complete the necessary technical transfer. In the middle of September 2017, the letter from the PS that instructed the promoted lecturers to remain KIBT until the end of the Project period was issued and sent to the lecturers. As a result, the promoted MTCs and TCs remained at KIBT and they completed the technical transfer in the Project.

In the beginning of July 2018, after the end of initial project period, 10 promoted KIBT lecturers (5 MTs and 5 Trainers in the 2nd year) moved to other departments of MoITC. 1 Trainer was also moved to the other ministry.

To supplement the reduced number of the staff at KIBT, MoITC announced the recruitment of the new staff of KIBT in August 2018. After the document examination, the interview and the release of the result in October and November 2018, the Public Service Commission (PSC) delayed deployment letters for the officers recruited / promoted to join the KIBT until April 2019. In May 2019, PSC approved the recruitment and the transfer. The number of the new staff was 12 (Senior Principal Lecturer: 4, Lecturer: 7, and Graphic Designer: 1). 2 Trainers of the Project (who were trained in the 2nd year) were included among them.

After the transfer, as of the end of June 2019, the number of KIBT's staff (managerial staff and technical staff) is 35 (Director: 1, Deputy Director: 1, Principal Lecturer: 7, Lecturer: 25, Graphic Designer:1). They include 5 MTs and 5 Trainers who were trained in the Project.

¹² The training program was conducted for 3 days by condensing the contents from 5 days.

2.5 Output 3 (Indications to show business performance improvement at selected pilot enterprises are found.)

(1) Selection of pilot enterprise

(a) Selection of pilot enterprises in the 1st year

In the 1st on-site work in Kenya, the policy of the selection of pilot enterprises was agreed. The policy included:

- 6 pilot enterprises are selected every year, and on-site consultancy in the three fields is implemented in all of the 6 enterprises.
- Pilot enterprises are selected from the priority business sectors specified in the Detailed Planning Survey on the Project, such as 1) food and agro processing, 2) textile, 3) furniture/metal works, and 4) automotive engineering.
- The candidates of pilot enterprises in the business sectors 1)-3) are selected among the enterprises introduced by the government (MoITC), government related agencies (EPZ, PCK), and industrial associations (KNCCI, KEPSA, etc.).
- As for the selection from 4) automotive engineering, 2 or 3 enterprises which are suppliers or the dealers of Japanese related enterprises will be selected. The candidates are to be selected among the enterprises which are recommended by the Japanese related enterprises including TKA/Toyota Kenya, and JETRO Nairobi office.
- Pilot enterprises are selected from SMEs (From 15 to less than 100 employees. 300 employees at most), which are located in or around Nairobi (including Thika and Athi River).

The selection criteria for pilot enterprises were finalized in the 1st on-site work in Kenya as follows.

1. Commitment of top executives (expectation, cooperation and motivation)
2. Setting management improvement themes in which the tangible results could be created during the pilot activity
3. Allocation of adequate human resource (1 or 2 person) in charge of receiving pilot activities
4. Stability of business performance (which enables on-site consultancy to be continuous)
5. Cooperation in the provision of management data and agreement for publicity of pilot activities
6. Provision of equipment for conducting the training, such as providing meeting space
7. Permission to take photos and videos for the on-site consultancy
8. Cooperation of managers and employees on implementation of management improvement activities
9. Past record or potentiality on exporting or dealing with foreign enterprises (this is not the condition. The priority goes to the enterprises which fulfill this point.)

In the 1st on-site work in Kenya, 15 enterprises were shortlisted as candidates of the pilot enterprises for the

1st year, with the recommendation from MoITC, EPZ, JETRO Nairobi Office and Japanese related companies. Through the screening, the JICA expert team and KIBT conducted the visit study to 12 enterprises, since the other 3 enterprises did not show interest in previous communication.

After the visit study, the JICA expert team and KIBT selected 6 pilot enterprises. However, one of the enterprises dropped out from the status as a pilot enterprise in the beginning of February 2016, since it became difficult to get the necessary cooperation from the enterprise due to the change of top executives and the management policy (The list of the pilot enterprises in the 1st year is shown in Table 15).

(b) Selection of pilot enterprises in the 2nd year

Based on the lesson learnt from the previous year, the KIBT-JICA team started to make the request to the collaborators for introducing the candidate enterprises for 2nd year on-site consultancy earlier than the previous year. KNCCI sent the application documents to the member enterprises under the organization. KEPSA and LIWA¹³ provided the lists of possible candidate enterprises. Japanese related organization (JETRO and Itochu Kenya) introduced the Kenyan manufacturing SMEs which had the business relationship with Japanese enterprises, including Japanese automobile manufacturers. KIBT listed up the candidate enterprises from past clients. NPCC communicated their client enterprises for distributing the application documents.

The KIBT-JICA team also tried to expand the network of collaboration. For example, the team had got contact with a Dutch consultant firm on flower manufacturing technology (Flower Watch) and agreed on the introduction of flower processing enterprises (two enterprises were introduced). In addition, some of the pilot enterprises in the 1st year (Megh Cushion, Match Electricals, and Centrofood) introduced their clients/suppliers as the candidate enterprises. Although they were not shortlisted due to their size and location, the team acknowledged that the introduction from the pilot enterprises would be one of the useful measures to secure the candidates, since these enterprises were able to explain the benefits of on-site consultancy to the other enterprises. Apart from it, a financial institution (AfricInvest) introduced to the team two promising enterprises from its client enterprises.

The number of shortlisted enterprises as candidates for on-site consultancy in the 2nd year was 19, after the document selection, considering the size (number of employees, location, business line).

Before the visit study for the selection, the KIBT-JICA team agreed the selection policy of the pilot enterprises for the 2nd year as follows.

- The selection criteria for pilot enterprises remains the same as the 1st year.
- 7 enterprises are selected, since 1 enterprise dropped in the 1st year.
- At least 1 enterprise is selected from each of the priority sectors, namely food/agro processing, textile,

¹³ Linking Industries With Academia. One of the NGOs works for enhancing the cooperation between industries and academia.

furniture/metal works, and automobile parts.

- As for other two-three enterprises, the manufacturing SMEs in other business sectors could be selected if ;
 - The top executive positively committed to on-site consultancy and significant results of the consultancy will be expected, and
 - The MTCs and TCs will be able to have the opportunity to enhance their capacities by learning from more difficult consultancy cases of the enterprise with well-established administrative structures.

The visit study was implemented by the KIBT-JICA team and, in total, 19 enterprises were studied. The team assessed the current capacities and potentials as the pilot enterprises based on the selection criteria. After the visit study, 9 enterprises were selected as the pilot enterprises in the 2nd year (Table 16). Since there were 4 enterprises which the team decided to provide on-site consultancy in the specific fields (not all the 3 fields) according to their own circumstances. The number of the pilot enterprises per field was 7.

(c) Selection of pilot enterprises in the 3rd year

In July 2017, the KIBT-JICA team listed the candidates of pilot enterprise as follows.

- To make the request to the collaborators, such as KNCCI, KEPSA, JETRO, AfricInvest, Flower Watch, for introducing the candidate enterprises earlier than the previous years.
- To ask the pilot enterprises in the 1st and 2nd year to introduce their suppliers and business partners. These pilot enterprises know the benefits of the on-site consultancy and they can convince other enterprises of the importance of the consultancy.
- As for promotion to Japanese related enterprises, to attend the monthly meeting of Japanese Society of Commerce and Industry twice (April and June 2017) held at JETRO Nairobi Office and explain the outline and benefits of the on-site consultancy to the members.

Through these activities above, 16 candidate enterprises were introduced. After the document selection considering the company size, location, sectors, 13 enterprises were shortlisted for the visit study. Before the visit study for the selection, the KIBT-JICA team agreed on the selection policy of the pilot enterprises for the 3rd year. The main points are as follows:

- The selection criteria for pilot enterprises remains the same as the 1st and 2nd year.
- Basically, 6 enterprises are selected and the consultancy of the 3 fields.
- At least 1 enterprise is selected from each of the priority sectors, namely food/agro processing, textile, furniture/metal works, and automobile parts.

The study visit was implemented for the 13 enterprises by the KIBT-JICA team. The team assessed current capacities and potentials as the pilot enterprises based on the selection criteria. After the study visit, 7

enterprises were selected as the pilot enterprises in the 3rd year (Table 17). Since there were 2 enterprises which the team decided to provide on-site consultancy in the specific fields only according to their circumstances, the number of the pilot enterprises per field was 6.

(d) The results of collaboration on the introduction of pilot enterprises from the collaborators for the 3 years
The results of collaboration on the introduction of pilot enterprises is shown in Table 7.

67.4% (29 enterprises) of total candidate enterprises (43 enterprises for visit study) were introduced by the collaborators in the three years. The ratio of the enterprises which were introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises).

(2) Implementation of a baseline survey of pilot enterprises and evaluation of effect of consultancy

(a) Baseline survey and final evaluation at the end of on-site consultancy

The baseline survey was implemented in the 1st stage of the on-site consultancy in each year, after the selection of the themes of on-site consultancy. The target is set as the improvement by 20%¹⁴.

There are 3 kinds of the indicators, '1. Evaluation of 5S', '2. Evaluation of improving business process' and '3. Indicators measured quantitatively, including the reduction of wastes in operation'. They are calculated based on the measurement shown in Box 5.

¹⁴ Output 3 [Indicator 3-2] Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on the team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).

[BOX 5] Evaluation Criteria of On-Site Consultancy**[1-1. Evaluation of 5S]****1-1. Result of 5S Audit**

Total sum of scores in checkpoints

Full score (4 scores x number of checkpoints)

X 100%

(Score level) 1. Not done at all, 2. Done but not sufficient, 3. Done well, 4. Done very well
(Checkpoints) About 15 points, such as status of arrangement, tidiness, visual control, etc.

1-2. Number of participants in 5S and Kaizen training

0%= 5S and Kaizen training is not organized.

20%= 5S and Kaizen training is organized only for managers and supervisors.

40%= 5S and Kaizen training is organized with the participation of 25% of factory workers.

60%= 5S and Kaizen training is organized with the participation of 50% of factory workers.

80%= 5S and Kaizen training is organized with the participation of 75% of factory workers.

100%= 5S and Kaizen training is organized with the participation of 100% of factory workers.

1-3. Maturity/sustainability of 5S/Kaizen team activities

0%= 5S and Kaizen activity is not done.

20%= With the support from consultant, 5S and Kaizen activity is done according to the instruction by managers.

40%= With the support from consultant, 5S and Kaizen activity team is formed temporally.

60%= With the support from consultant, 5S and Kaizen activity team is formalized.

80%= With the support from consultant, 5S and Kaizen activity is implemented based on the team formed.

100%= 5S and Kaizen activity is organized without consultant support

[2. Evaluation of improving business process]

0%= No plan/strategy/system and no analysis conducted on current status.

20%= No plan/strategy/system, but the analysis conducted on current status.

40%= The plan/strategy/system is partly developed, and it is started to be implemented.

60%= The plan/strategy/system is developed, and it is started to be implemented.

80%= The plan/strategy/system is developed, implemented, and revised from time to time.

100%= The plan/strategy/system is developed, implemented, and revised based on PDCA cycle.

[3. Indicators measured quantitatively, including the reduction of wastes in operation]

The actual improvement ratio is calculated.

The indicators were monitored during the period of on-site consultancy. In the end of the consultancy, the results of the achievement were evaluated. The following 3 Tables (Table 32-34) show the themes of on-site consultancy, the results of both baseline survey and the final evaluation by pilot enterprise for the 3 years. The details of the activities in pilot enterprises are shown in [Appendix 6]. The improvement ratio of business process was 25.9% on average in all the pilot enterprises (21 enterprises) for 3 years (Table 35).

Table 32: Themes of On-site Consultancy and Baseline/Results (1st Year)

Name of Enterprise / Field	Theme of Consultancy	Baseline (Oct 2015)	Result (Jul. 2016)	Improvement Ratio	
				By each theme	Average
1. Centrofood Industries (All the fields)					38.9%
[Production & quality management]	5S practice at factory (factory as a whole) *1	60%	77%	17%	30.0%
	Numbers of staff in 5S /KAIZEN Team*3	3 persons	4 processes	33%	
	Number of participants in 5S / KAZEN training*3	20 persons (Objective 70% of the staff)	28 persons(all the staff)	40%	
[Marketing & sales]	5S practice at marketing & sales office*1	60%	80%	20%	33.3%
	Development of stable purchase system*2	40%	60%	20%	
	Development of new product development system*2	0%	60%	60%	
[Financial management]	5S practice at administration/financial office*1	40%	80%	40%	53.3%
	Development of financial analysis template for reviewing financials by themselves (and training finance staff to utilize it)*2	0%	60%	60%	
	Management report development*2	0%	60%	60%	
2. Megh Cushion Industries (All the fields)					42.4%
[Production & quality management]	5S practice at stitching process *1	60%	77%	17%	39.0%
	Improvement ratio of 5S audit (baseline: 2 workshops, stitching and fitting è Result: 4 workshops, stitching , fitting, machining and welding)*3	2 processes	4 processes	100%	
	Productivity improvement at fitting process (improvement ratio based on work sampling)*3	70%	70%	0%	
[Marketing & sales]	5S practice at marketing & sales office*1	60%	80%	20%	40.0%
	Development of marketing strategy (target marketing)*2	20%	80%	60%	
[Financial management]	5S practice at administration/financial office*1	60%	85%	25%	48.3%
	Development of quarterly management report*2	0%	60%	60%	
	Development of monthly management report *2	0%	60%	60%	
3. Auto Ancillaries (All the fields)					46.8%
[Production & quality management]	5S practice at U-bolt process and leaf spring process *1	70%	81%	11%	37.0%
	Improvement ratio of 5S audit (baseline: 1 U-bolt process è Result: 2 workshops, U-bolt and leaf spring processes)*3	1 processes	2 processes	100%	
	Number of staff in 5S/KAIZEN Team*3	1 person	1 person	0%	
[Marketing & sales]	5S practice at marketing & sales office*1	60%	60%	20%	30.0%
	Improvement of marketing strategy*2	40%	80%	40%	
[Financial management]	5S practice at administration/financial office*1	40%	60%	60%	73.3%
	Establishment of break-even point calculation system and its review of the results in monthly basis*2	0%	80%	80%	
	Development of monthly management report*2	20%	60%	80%	
4. Match Electrical (All the fields)					31.7%
[Production & quality management]	5S practice at factory*1	55%	75%	20%	26.7%
	Numbers of staff in 5S /KAIZEN Team*3	2 persons	3 persons	50%	
	Productivity improvement at all factory level (improvement ratio based on work sampling)*3	70%	80%	10%	
[Marketing & sales]	5S practice at marketing & sales office*1	60%	80%	20%	20.0%
	Improvement of organizational management system (introduction of budget & result control of each business activity) *2	40%	60%	20%	
	Introduction of social marketing*2	60%	80%	20%	
[Financial management]	5S practice at administration/financial office*1	60%	85%	25%	48.3%
	Establishment of product costing review system leading in order for the management to recognize the profitability of each product*2	0%	60%	60%	
	Introduction of corporate governance system*2	0%	60%	60%	
5. Kikoy Mall (All the fields)					33.0%
[Production & quality management]	5S practice at factory (Kikoy towel process)*1	51%	63%	12%	20.6%
	Number of participants in 5S / KAZEN training*3	35 persons (Objective: 70% of the staff)	50 persons (all the staff)	42.80%	
	Productivity improvement at hemming process(improvement ratio based on work sampling)*3	170 second per piece	182 second per piece	7%	
[Marketing & sales]	5S practice at marketing & sales office*1	60%	60%	0%	10.0%
	Development of overseas marketing strategy*2	40%	60%	20%	
[Financial management]	5S practice at administration/financial office*1	30%	85%	85%	68.3%
	Reduction of variable cost rate (%) *3	85%	80% by the end of 2016-2017FY	On going	
	Establishment of break-even point calculation system and its review of the results in monthly basis*2	0%	60%	60%	
	Development of monthly management report*2	0%	60%	60%	
Average of all enterprises					38.6%

*1=Evaluation of 5S', *2='Evaluation of improving business process', *3='Indicators measured quantitatively' (shown in [Box 5]).

Table 33: Themes of On-Site Consultancy and Baseline/Results (2nd Year) – (1)

Name of Enterprise / Field	Theme of Consultancy	Baseline (Dec 2016)	Result (Jun 2017)	Improvement Ratio		
				By each theme	Average	
1. Ultravetis (all the fields)					24.8%	
[Production & quality management]	Improvement of 5S level through 5S audit (HQ factory and 2nd factory)*1	66%	95%	29%	14.5%	
	Maturity/sustainability of 5S/Kaizen team activities*1	80%	80%	0%		
[Marketing & sales]	Making the action plan to improving the business considering the regional characteristics*2	20%	60%	40%	40.0%	
	Setting up the action plan to enhance sales efficiency*2	0%	60%	60%		
	5S at sales office *1	50%	70%	20%		
[Financial management]	Implementation of financial analysis tool and transferring the knowledge of using this tool to key finance members*2	50%	60%	10%	20.0%	
	Introduction of management meeting on a monthly basis to support management decision making based on the financial analysis*2	30%	60%	30%		
	Improvement of 5S level through 5S audit at administration and finance office*1	40%	60%	20%		
2. Hope Uniform (Marketing &sales / Financial Management)					30.0%	
[Marketing & sales]	Improving the relationship with customers (schools & parents), by creating the opportunity of communication with them*2	0%	50%	50%	43.3%	
	Establishing the sales policy to apply the concept of corporate social responsibility*2	0%	60%	60%		
	5S at sales office *1	20%	40%	20%		
[Financial management]	Improvement of 5S level through 5S audit at administration and finance office*1	20%	60%	40%	16.7%	
	Efficient display of products and inventory control at the shops and improve customer satisfaction at the shops*2	50%	60%	10%		
	Development of profitability analysis by products and/or shops based on current available financial data*2	20%	20%	0%		
3. Turea (all the fields)					14.4%	
[Production & quality management]	Improvement of 5S level through 5S audit in foaming, casting and cutting process*1	58%	68%	10%	3.3%	
	Improvement of operation ratio in assembly process*3	54%	54%	0%		
	Number of participants in 5S and Kaizen training *1	40%	40%	0%		
[Marketing & sales]	Promoting sales policy of value addition through improving the functionality of the products*2	20%	80%	60%	36.7%	
	Improving sales activity by applying advanced sales promotion technology, learning from best practices, such as IKEA*2	20%	60%	40%		
	5S at sales office *1	40%	50%	10%		
[Financial management]	Introduction of financial analysis tool and transferring the knowledge of using this tool to key finance members*2	20%	20%	0%	3.3%	
	Improvement of 5S level through 5S audit at administration and finance office*1	30%	40%	10%		
	Development of monthly management report*2	0%	0%	0%		
4. Mamboo Interiors (Marketing &sales / Financial Management)					23.3%	
[Marketing & sales]	Specifying the target customers and matching the sales concept & product lineup*2	20%	50%	30%	26.7%	
	Conducting sales promotion activities to the target customers efficiently*2	0%	50%	50%		
	5S at sales office *1	10%	10%	0%		
[Financial management]	Implementation of the analysis on product costing and profitability*2	0%	0%	0%	20.0%	
	Improvement of 5S level through 5S audit at administration office and factory *1	20%	40%	20%		
	Introduction of the selection of accounting software*2	0%	40%	40%		
5. Sadolin (Production & quality management) * Due to the change in management policies under new management team in the beginning of April 2017, the activities on 5S and Kaizen could not be completed.						0.0%
[Production & quality management]	Full implementation of 3S action plan in paint filling process *3	20%	20%	0%	0.0%	
	Improving 3S activities *1	40%	40%	0%		
6. Balm Industrials Ltd. (All the fields)					34.4%	
[Production & quality management]	Improvement of 5S level through 5S audit (haircare product process & final product inventory)*1	50%	70%	20%	30.0%	
	Maturity/sustainability of 5S/Kaizen team activities*1	20%	40%	20%		
	Reduction of packaging material in month worth*3	two months	one month	50%		
[Marketing & sales]	Standardizing the process of sales activity by area for sales promotion*2	0%	50%	50%	43.3%	
	Establishing the process of developing new product according to the area focus sales activity*2	0%	60%	60%		
	5S at sales office *1	10%	30%	20%		
[Financial management]	Development of cost and profitability analysis of the products by using current financial data*2	20%	50%	30%	30.0%	
	Introduction of financial analysis tool to the company*2	0%	40%	40%		
	Training of a new financial accountant to become a professional accountant*2	0%	20%	20%		
7. Color Label (All the fields)					32.1%	
[Production & quality management]	Improvement of 5S level through 5S audit (prepress process)*1	35%	59%	24%	21.3%	
	Number of participants in 5S and Kaizen training *1	60%	80%	20%		
	Maturity/sustainability of 5S/Kaizen team activities*1	40%	60%	20%		
[Marketing & sales]	Establishing the process of making customer-oriented business plan*2	0%	50%	50%	40.0%	
	Improving the process of customer service based on the customer survey*2	0%	60%	60%		
	5S at sales office *1	40%	50%	10%		
[Financial management]	Development of monthly management report*2	20%	60%	40%	35.0%	
	Improvement of 5S level through 5S audit at administration/financial office*1	20%	50%	30%		

Table 33: Themes of On-Site Consultancy and Baseline/Results (2nd Year) – (2)

Name of Enterprise / Field	Theme of Consultancy	Baseline (Dec 2016)	Result (Jun 2017)	Improvement Ratio	
				By each theme	Average
8. Palmy Enterprises Limited. (All the fields)					22.8%
[Production & quality management]	Improvement of 5S level through 5S audit in entire factory *1	60%	60%	0%	20.0%
	Number of participants in 5S and Kaizen training *1	40%	80%	40%	
	Maturity/sustainability of 5S/Kaizen team activities *1	20%	40%	20%	
[Marketing & sales]	Specification of the target customers and matching the sales concept & product lineup*2	0%	50%	50%	40.0%
	Improving sales promotion process and enhancing sales promotion activities*2	0%	60%	60%	
	5S at sales office *1	20%	30%	10%	
[Financial management]	Development of monthly financial report*2	15%	30%	15%	8.3%
	Development of monthly management report*2	0%	0	0%	
	Improvement of 5S level through 5S audit at administration/financial office*1	20%	30%	10%	
9. Plast Packaging (Production & quality management)					13.3%
[Production & quality management]	Maturity/sustainability of 5S/Kaizen team activities *1	20%	20%	0%	13.3%
	Improvement of 5S level through 5S audit (HDPE forming process) *1	61%	81%	20%	
	Number of participants in 5S and Kaizen training *1	60%	80%	20%	
Average of all enterprises					21.7%

*1=Evaluation of 5S', *2='Evaluation of improving business process', *3='Indicators measured quantitatively' (shown in [Box 5]).

Table 34: Themes of On-Site Consultancy and Baseline/Results (3rd Year) – (1)

Name of Enterprise / Field	Theme of Consultancy	Baseline (Nov. 2017)	Result (Jun. 2018)	Improvement Ratio	
				By each theme	Average
1. Welding Alloys LTD. (All the fields)					24.8%
[Production & quality management]	Improvement of 5S level through 5S audit (welding electrodes process)*1	46%	77%	31%	14.5%
	Numbers of 5S/KAIZEN Training*1	2 times	2 times	0%	
	Number of participants in 5S/KAIZEN training (80% of the staff related)*1	40 persons	45 persons	13%	
[Marketing & sales]	Setting up the action plan to enhance sales manpower*2	30%	60%	30%	26.7%
	Revising and improving the growth strategy*2	50%	60%	10%	
	Improving customer information system based on 5S concept and establishing the mechanism to use the information effectively*2	30%	70%	40%	
[Financial management]	Implementation of 5S at administration and finance office*1	20%	60%	40%	33.3%
	Training of managers & staff at financial section on being able to analyze financials timely*2	20%	60%	40%	
	Development of monthly management and financial report*2	40%	60%	20%	
2. Branan Flowers (All the fields)					35.0%
[Production & quality management]	Improvement of 5S level through 5S audit (packaging process)*1	61%	72%	11%	11.1%
	Number of staff/workers who are involved in 5S audit (the whole factory)*1	8 persons	8 persons	0%	
	Productivity improvement at bandling process (operation time taken in time study)*3	11 seconds	9 seconds	22%	
[Marketing & sales]	Setting up the strategy for developing new market*2	10%	30%	20%	30.0%
	Seeting up the plan to improve product value*2	10%	40%	30%	
	Improving management of market information based on 5S concept*2	10%	50%	40%	
[Financial management]	Implementation of 5S at administration and finance office*1	20%	70%	50%	40.0%
	Training of managers & staff at financial section on being able to analyze financials timely*2	20%	60%	40%	
	Development of monthly management and financial report*2	20%	50%	30%	
3. Kenya Coach Industries LTD. (all the fields)					18.0%
[Production & quality management]	Improvement of 5S level through 5S audit (all the processes)*1	61%	73%	12%	4.0%
	Participation rate in 5S training (80% of the staff/workers related)*1	45 persons	45 persons	0%	
	Number of staff/workers who are involved in 5S audit (all managers)*1	5 persons	5 persons	0%	
[Marketing & sales]	Improving the budget achievement rate by enhancing sales management*3	50%	70%	20%	20.0%
	Making the plan to expand the customers, including the review of current marketing strategy*2	30%	50%	20%	
	Improving customer information system based on 5S concept and establishing the mechanism to use the information effectively*2	20%	40%	20%	
[Financial management]	Development of mid-term business plan*2	20%	40%	20%	30.0%
	Training of managers & staff at financial section on being able to analyze financials timely*2	30%	60%	30%	
	Development of monthly management and financial report*2	20%	60%	40%	
4. Plast Packaging (Marketing &sales / Financial Management)					39.2%
[Marketing & sales]	Developing marketing strategy and improving PDCA of the marketing activities*2	10%	30%	20%	25.0%
	Improving customer information system based on 5S concept and establishing the mechanism to use the information effectively*2	10%	40%	30%	
	Implementation of 5S at administration and finance office*1	20%	80%	60%	
[Financial management]	Training of managers & staff at financial section on being able to analyze financials timely*2	20%	60%	40%	53.3%
	Development of monthly management and financial report*2	0%	60%	60%	

Table 34: Themes of On-Site Consultancy and Baseline/Results (3rd Year) – (2)

Name of Enterprise / Field	Theme of Consultancy	Baseline (Nov. 2017)	Result (Jun. 2018)	Improvement Ratio	
				By each theme	Average
5. Thika Cloth Mills LTD. (Production & quality management)					14.7%
[Production & quality management]	Improvement of 5S level through 5S audit (folding section/finished product inventory)*1	62%	73%	11%	14.7%
	Improvement of 5S level through 5S audit (processing section)*1	57%	65%	8%	
	Number of staff/workers who are involved in 5S audit(management staff)*1	8 persons	10 persons	25%	
6. Chui Auto Springs Industries Ltd. (All the fields)					30.6%
[Production & quality management]	Improvement of 5S level through 5S audit (all the processes)*1	59%	79%	20%	18.3%
	Participation rate in 5S training (80% of all the staff/workers related)*1	50 persons	55 persons	10%	
	Number of staff/workers who are involved in 5S audit(management staff)*1	4 persons	5 persons	25%	
[Marketing & sales]	Establishing the system to develop new customers*2	10%	30%	20%	30.0%
	Improving customer information system based on 5S concept and establishing the mechanism to use the information effectively*2	10%	50%	40%	
[Financial management]	Implementation of 5S at administration and finance office*1	30%	60%	30%	43.3%
	Training of managers & staff at financial section on being able to analyze financials timely*2	20%	60%	40%	
	Development of monthly management and financial report*2	0%	60%	60%	
7. Miyonga Fresh Greens (All the fields)					29.4%
[Production & quality management]	Improvement of 5S level through 5S audit (all the processes)*1	54%	54%	0%	0.0%
	* The production activity was not operated as stable as expected. It was difficult to continue the consultancy in this field.	-	-	-	
[Marketing & sales]	Improving the process of making annual business plan*2	10%	30%	20%	35.0%
	Establishing database on sales and payment based on 5S concept*2	10%	60%	50%	
[Financial management]	Assistance for introduction of financial and accounting system*2	0%	50%	50%	53.3%
	Training of staff at financial section on being able to make monthly financial report correctly*2	0%	60%	60%	
	Development of monthly management and financial report*2	0%	50%	50%	
(Additional) Mama Maize Millers (Production & Quality Management)					7.0%
[Production & quality management]	Improvement of 5S level through 5S audit (all the processes)*1	53%	60%	7%	7.0%
Average of all enterprises					27.4%

*1=Evaluation of 5S', *2='Evaluation of improving business process', *3='Indicators measured quantitatively' (shown in [Box 5]).

Table 35: Improvement Rate of Business Process by On-Site Consultancy

Number of pilot companies	Total
1st year (5 companies, 15 management fields)	38.6%
2nd year (9 companies, 21 management fields)	21.7%
3rd year (7 companies, 18 management fields)	27.4%
All average by number of companies (21 companies, 54 management fields)	25.9%



On-site consultancy (Branan Flowers in the 3rd Year)



On-site consultancy (Megh Cushion in the 1st Year)

(b) On-site consultancy impact survey for the pilot enterprises

About 6 months after the end of the on-site consultancy, on-site consultancy impact survey was conducted to learning the impacts of the consultancy on management and business performance, as well as studying the continuity of management improvement activities. The survey was conducted by a half day visit to the pilot enterprises. The detail results of the survey of the pilot enterprises are referred to in [Appendix 7]. The summaries of the findings so far are as follows.

[Sustainability of management improvement activities]

- 18 out of 21 pilot enterprises that cooperated with the survey have sustained 5S at factory and administration office. In A Company in agro/food industry, with the assistance of KIBT-JICA team, 15 Quality Control Circles were formed and 5S has been implemented based on the QCCs every day before work starts.
- The 18 pilot enterprises have also sustained other management improvement activities, such as visual control and waste elimination at workshop, inventory management, the system of frequent communication with customers/suppliers, periodical financial reporting system, management of business results based on the financial indicators.
- For example, with the consultancy of the KIBT-JICA team, B Company in auto part industry enhanced production capacities. Utilizing the improved capacities, the company developed a new product which has become one of the core business of the company. C Company in food industry has developed new products, according to the close communication with both customers and suppliers, which was proposed by the KIBT-JICA team.
- On the other hand, D Company (textile sector) has faced tight business situation, due to the cancellation of major business deal from a foreign customer. The company has decreased the number of employees and the key middle managers whom the KIBT-JICA team had trained left the company.
- In order to sustain the results of on-site consultancy, many pilot enterprises requested to the KIBT-JICA team for conducting the follow up activities (business training and consultancy).

[Impacts]

- In 11 enterprises out of 21 enterprises which were surveyed, the sales were increased comparing before and after the consultancy. The average ratio of sales increase was 15.1%. There are several factors which might give positive impacts on the increase of the sales, such as ‘the increase of production capacity due to the waste elimination through the continuous implementation of 5S / KAIZEN’, ‘the increase of the number of the customers and the sales amount per customer due to active marketing / sales activity for acquiring new customers and improving the relationship with customers’, ‘the establishment of financial management system which allows top executives to make quick decision for revising business

policies’.

- In 12 enterprises out of 21 enterprises which were surveyed, the number of employees had increased comparing before and after the consultancy. The average ratio of the increase of employees was 18.2%. There are several factors which might give positive impacts on the increase of the employees, such as ‘the increase of the employees in production department in order to cope with the increase amount of order due to the expansion of production capacity’, ‘the increase of the employees in marketing & sales department in order to enhance marketing and sales activity’, ‘the increase of the employees in financial department in order to conduct financial management activities appropriately without hiring external accountants’.
- In 10 enterprises out of 21 enterprises which were surveyed, the expansion of business areas, including building new factories, was completed comparing before and after the consultancy.
- More than 70% of the pilot enterprises mentioned that the concept of maintaining good organization of workshops was understood by most of members of the company, through the implementation of 5S and KAIZEN. The representatives of the company mentioned that the working culture had been changed.
- Implementation of 5S gave good impression and the sense of assurance of the company to the customers. E Company obtained a new deal by making various efforts including inviting its customer to the workshop. The business grew to be one of the core businesses of the company.
- The main bank appreciates the good management of financial data. A CEO in F Company mentioned that it resulted in the good relationship with the bank, which may make the process of provision of loan from the bank smoother.
- The materials provided by the KIBT-JICA team on customer relationship are used as a guideline to approach the customer in G Company.

(3) Dissemination of compiled result(s) of the services

(a) Conducting the result dissemination seminar

The result dissemination seminars of the Project were held annually for achieving the following.

- To improve the recognition of KIBT’s activities and its capacities, by introducing the results of on-site consultancy in pilot enterprises, as well as the results of the project activities.
- To support KIBT for the acquisition of new clients, by introducing success stories on management improvement among pilot enterprises.
- To enhance the capacity of the MTCs and TCs, through making the presentation on the methods for management improvement at the seminar, in collaboration with the JICA experts.
- To strengthen the relationship with the collaborators and the Japanese related enterprises in Kenya, by inviting them to the seminars. By making the database of the participants, KIBT can promote their business services.

There were the following outcomes of the seminars.

- In order to invite the participants to a seminar, an advertisement was put in the Nation Newspaper 2 weeks before the seminar and the name of KIBT was shown there. In the seminar, the activities KIBT were introduced in the early part of the program, while the promotional materials of KIBT were shown or distributed. These were believed to help the improvement of the recognition of KIBT.
- In the seminars, the success stories of pilot enterprises were introduced. In addition, the methods applied in on-site consultancy were guided by JICA experts, the MTCs and the TCs. These encouraged the executives of SMEs in Kenya to make the efforts to improve their business process for enhancing productivity and competitiveness. As the results, the KIBT-JICA team received 5 applications of on-site consultancy in the end of the seminars in the 1st year.
- In the study visit for selection of the pilot enterprise in the 2nd year, the KIBT-JICA team met a seminar participant who was the top executive of wood gift manufacturer. He mentioned that, after attending the seminar, his company organized workshops to introduce and practice 5S based on the learnings from the seminar.
- The result dissemination seminar in the 1st year was regarded as one of the pre-event of TICAD VI which was held in Nairobi in August 2016. It helped to promote the dissemination of the following event to the general public in Kenya.
- In the result dissemination seminar in the 2nd year, an expert from India, Dr. S. K. Kar, Senior Manager, Technology Centre, Bhubaneswar of Ministry of MSMEs, was invited as a part of cooperation in Africa under the Special Strategic and Global Partnership between the government of Japan and India. It was the first practical cooperation activities under the partnership. He made a key note speech on 'KAIZEN experience of SMEs in India? What works, what doesn't and why?'. It gave an insight on necessary policy support to MSMEs in a different view point.

The outlines of the result dissemination seminar in the 3 years are shown in Table 36.

Table 36: Outline of Result Dissemination Seminars

Year	Date	No. Part.	Characteristics	Evaluation
1 st Year	August 10, 2016	156	<ul style="list-style-type: none"> Held as one of the Pre-Event of TICAD VI in Nairobi Welcome address by PS of Trade (Dr. Chris Kiptoo) Presentation of 3 pilot enterprises (Megh Cushion Ind., Centrofood and Kikoy Mall) Presentation of MTCs on Key Factors for Success and effective management methods in on-site consultancy 	(78 reply) Very good: 51.3% (40) Good: 43.6% (34) Not so good: 5.1% (4) Not good at all: 0.0% (0)
2 nd Year	March 7, 2018	148	<ul style="list-style-type: none"> Postponed from July 2017, due to the presidential elections Presentation of 3 pilot enterprises (Plast Packaging, Hope Uniform and Balm Industries) Presentation of an expert from India (Dr. S.K.Kar, Senior Manager, Technology Centre, Bhubaneswar of Ministry of MSMES) as a part of cooperation in Africa under the Special Strategic and Global Partnership between the government of Japan and India. Presentation of MTCs and TCs on Key Factors for Success and effective management methods in on-site consultancy 	(74 reply) Very good: 44.6% (33) Good: 52.7% (39) Not so good: 2.7% (2) Not good at all: 0.0% (0)
3 rd Year	June 22, 2018	162	<ul style="list-style-type: none"> Presentation of 3 pilot enterprises (Chui Auto Spring, Kenya Coach Industries and Ultravetis) Closing speech by CAS of MoLSP (Hon. Addul Bahari) Presentation of MTCs and TCs on Key Factors for Success and effective management methods in on-site consultancy 	(98 reply) Very good: 39.8% (39) Good: 51.0% (50) Not so good: 9.2% (9) Not good at all: 0.0% (0)

[1st Year]

Presentation by a pilot enterprise (Centrofood)

Welcome Address by Dr. Kiptoo, Principal Secretary,
State Department of Trade, MoLTC

[2nd Year]



Presentation of JICA Experts



Presentation of Dr. Kar, an Expert from India

[3rd Year]



Closing Address by Hon. Bahari,
Chief Administrative Secretary, MoLSP



Presentation of Certificate to the Pilot Enterprises

(b) Developing promotional tools of KIBT

The JICA expert in public relation first visited Kenya in July-August 2016. Then the KIBT-JICA team agreed on the establishment of PR team and decided to make the promotional materials which would be developed in the Project as follows.

- A promotional presentation material of new training program for SMEs (later renamed as KJ-PRIME)
- KIBT leaflet
- KIBT banners
- KIBT Consulting guide
- Best practice DVD based on the cases of on-site consultancy

The plan to make these materials were also made.

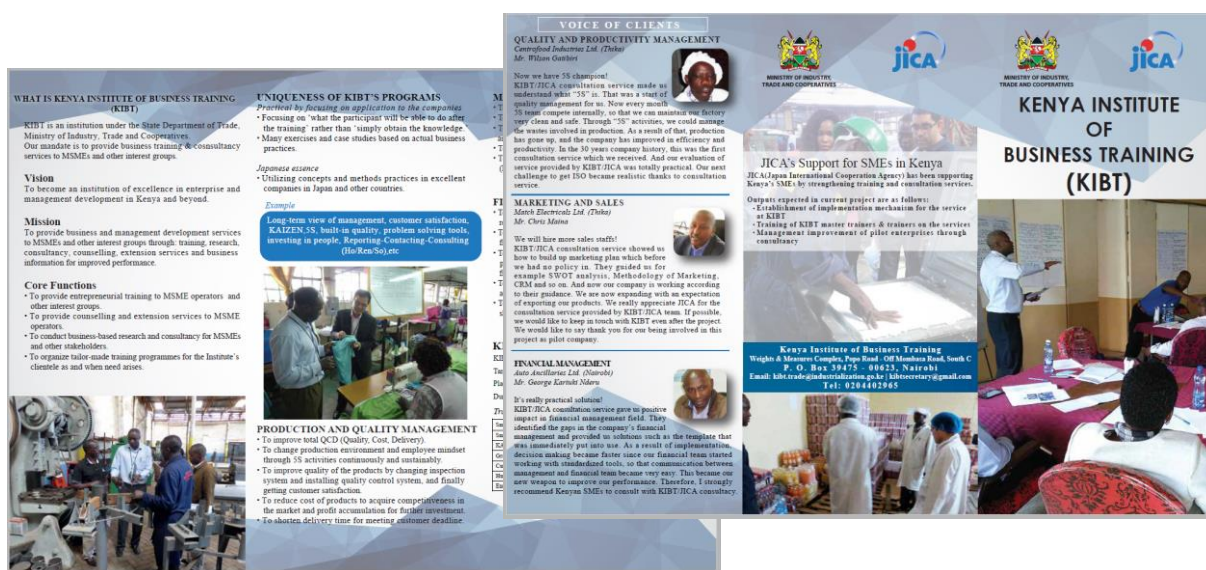
i) A promotional presentation material of new training program for SMEs

The 1st version of the material was developed in the 2nd on-site work in Kenya (January-April 2016). It was revised as the part of the support for the Re-Branding Strategy of KIBT. It was named as KJ-PRIME (Kenya

& Japan - PProgram for Innovation and Management Excellence) (it is referred in [Appendix 4]).

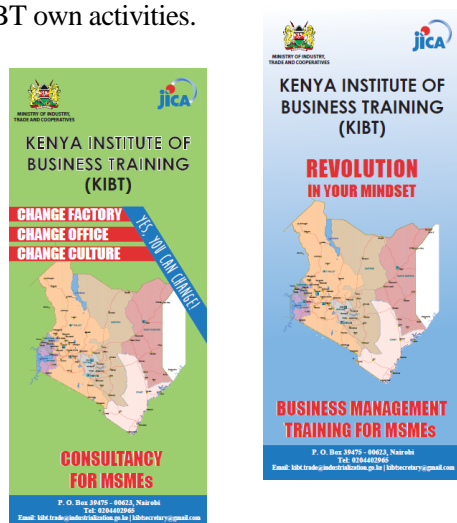
ii) KIBT leaflet and banners

According to the discussion between KIBT and the JICA project team, KIBT leaflet was designed to include 1) outline of KIBT, 2) main essences of current business services (entrepreneurship training), 3) main essences of new business services (business training and on-site consultancy for SMEs) and 4) voices of main customers. It was completed in the middle of August 2016. It has been distributed to the participants of the seminars and training programs of KIBT since then.



KIBT leaflet

Two banners of KIBT (one for business training for SMEs, the other for consultancy) were made also in the middle of August 2016. They were shown in the exhibition of JICA-TICAD VI KAIZEN Seminar (a side-event of TICAD VI) on 27th August 2016. They have already been used for the project activity, as well as KIBT own activities.



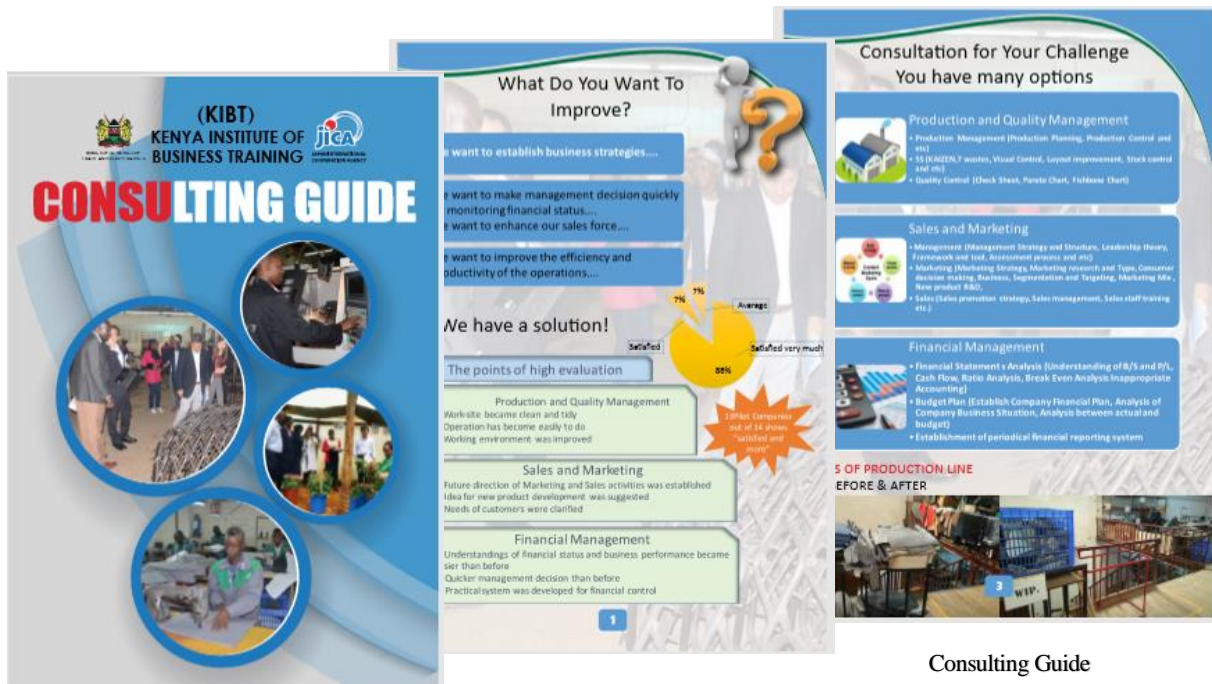
KIBT banners



Exhibition of KIBT banners in a side-event (JICA KAIZEN Seminar) of TICAD VI in Nairobi in August 27, 2016.

iii) KIBT Consulting guide

A consultation guide of KIBT was planned to make to promote the consultancy service for SMEs. In October 2017, KIBT and the JICA project team agreed on its contents (management issues to be solved, consulting processes, consulting tools applied, results after consultancy, voice of customers, etc.). It was finally completed in the end of February 2018. The guide was distributed in both the 2nd and the 3rd result dissemination seminars in March and June 2018. It has also been used by KIBT to promote on-site consultancy since then.



Consulting Guide

iv) Best practice DVD based on the cases of on-site consultancy KIBT

The best practice DVD was expected to be developed for the purpose of introducing the characteristics and effectiveness of on-site consultancy visually to the enterprises in Kenya, and, as the result, enhancing their demands for the business services (business training and consultancy) of KIBT. It would be used by KIBT as the training tool of business training, as well as the sales tool for acquiring new clients.

KIBT and the JICA project team started to work for the development of the best practice DVD in May 2017. The team selected to use the case of Megh Cushion Industries LTD., since the company made significant positive results based on on-site consultancy as one of the pilot enterprises in the 1st year. The team also selected the PR company to produce the DVD, Crystal Brand Communication Company LTD., based on the good outputs in the past jobs as well as the cost estimation.

In October/November 2017, the KIBT-JICA team, in accompany with the staff of Crystal Brand, visited Megh Cushion Industries several times for video shooting and interviewing key personnel.

After the draft version of the DVD was made in February 2018, JICA-KIBT team discussed with Megh

2.6 Counterparts' Training in Japan and a Third Country Training

(1) Counterparts' Training programs in Japan

2 training programs in Japan below were implemented.

(a) For MTCs- Training program on learning good management practices in Japan

This training in Japan was organized for the MTCs who fulfilled the achievement indicators in the first assessment in the end of the 1st year, and who showed the strong commitment for training the TCs in the 2nd year. The outline of the training is shown below.

[Date] From September 19 (Mon.) to 30 (Fri.), 2016

[Objectives]

- To learn from the Japanese SMEs, which have been making great efforts of establishing excellent business process in the fields of 'production and quality management', 'marketing and sales', and 'financial management'.
- To acquire the advanced management concepts and tools practiced in Japan.
- To understand the programs for assisting SMEs in Japan.
- To prepare the Action Plan after returning to Kenya.

[Participants] 10 MTCs (all of them are KIBT lecturers)

Name	Title	Role in the Project	Visiting organizations
Ms. Carol Choge	Lecturer	MTC	Japan Productivity Center, Itabashi Industrial Promotion Office, Toyota Motor, Chubu Productivity Center, Yamada Manufacturing, Saijo INX, The Union of Japanese Scientists and Engineers, Tomiyama Corp., Ricoh Logistics
Mr. Gideon Njogu	Lecturer	MTC	
Mr. Musa Okwemba	Lecturer	MTC	
Ms. Sylvia Kaburu	Lecturer	MTC	
Mr. Jonathan Njogu	Senior Principal Lecturer	MTC	
Ms. Pamela Onyango	Lecturer	MTC	
Mr. David Owitti	Lecturer	MTC	
Mr. Samuel Mulei	Principal Lecturer	MTC	
Mr. Job Ogolah	Lecturer	MTC	
Mr. Daniel Wechesa	Lecturer	MTC	

[Results]

- MTCs enriched their understanding on the Japanese management methods which they had obtained through CRTs and on-site consultancy in the 1st year of the Project.
- MTCs enhanced the knowledge base, in order to explain the importance of business process improvement activities and to convince the top executives in Kenya of implementing them.
- MTCs made the action plan to improve the KIBT's business services.

(b)For Principal Secretary of MoITC and KIBT Directors- Program on learning SME promotion and industrial development

[Date] From September 29 (Thu.) to October 1 (Sat.), 2016

[Objective]

- To understand the mechanism of SMEs promotion for industrial development in Japan
- To enhance the network between the senior officials in charge of industrial development in Kenya and technical cooperation agencies in Japan

[Participants] Principal Secretary and two senior officials in charge of the Project

Name	Title	Role in the Project	Visiting organizations
Dr. Chris Kiptoo	Principal Secretary, State Department of Trade, MoITC	Project Director	JICA, JETRO, METI, Harima Industry
Mr. Stephen Kirui	Director, KIBT	Project Manager	
Ms. Anne Olubendi	Senior Program Officer, JICA Kenya Office	Person In Charge of the Project	

[Results]

- The participants understood the importance of policies and programs to support SMEs, including provision of business training and consultancy, based on a factory visit whose production processes had been improved by implementation of KAIZEN activities.
- The visit to the organizations which were in charge of overseas technical cooperation in Japan tightened the relationship between the participants and these organizations. It was especially important, considering the follow-up activities just after the TICAD VI.

(2) A Third Country Training - Study Trip to Malaysia on Supporting Business Development of MSMEs

The Third Country Training Program was initially designed that the trained trainers at KIBT obtain practical ideas to improve the quality of consultancy services of KIBT. However, due to the situation in the end of the 2nd year that some of the trained MTCs and TCs were expected to move from KIBT anytime, JICA and KIBT agreed on the postponement of the training in March 2018.

Considering the transfer of the trained trainers from KIBT, in order to sustain the results of the Project activities, KIBT needs to utilize the human resource outside KIBT. It is essential to strengthen the relationship between KIBT and its collaborators with the role to support MSMEs in Kenya. Therefore, the objective of this training was changed to learn the system for supporting MSMEs, so that the strategies of providing necessary services for business development of MSMEs would be created in collaboration between KIBT and its collaborators. The target participants were changed to the senior officials of KIBT and its collaborators. The venue was set in Malaysia, since unique policies and programs have been implemented for promoting SMEs in Malaysia.

The outline of the program is shown below.

[Date] From January 14 (Mon.) to 23 (Wed.), 2019

[Objectives]

- To learn about the policy environment and strategies adopted to provide business development services (BDS) for MSMEs in Malaysia with a view to improving the current system of supporting MSMEs in Kenya
 - To learn about the national policy of Malaysia for supporting MSMEs.
 - To study the company-support programs of Malaysia Productivity Corporation (MPC) linked to productivity improvement
 - To learn about the management system of Malaysian SMEs (production / quality management, marketing / sales and financial management) which is renowned for its excellence.
 - To learn various BDSs (business matching, incubation and financial support) provided by Malaysian government.
 - To develop the action plan for improving the current system of supporting MSMEs in Kenya.

[Participants] 5 senior officers from ministries and organizations related to supporting business development of MSMEs.

Name	Title	Organization	Visiting organizations
Ms. Nancy Muya	Director of Industry, State Department of Industry	MoITC	SME Corp., MATRADE, MPC, Incubators (Technology Park Malaysia and MaGIC), SME Bank, National Chamber of Commerce & Industry of Malaysia, SMEs supported by BDS-Providers
Ms. Catherine Waweru	Acting Director	KIBT	
Mr. Patrick Nyakundi	Senior Principal Lecturer	KIBT	
Ms. Zahara Haji	P.A to the CS	MoLSP	
Mr. James Kitavi	County Executive Officer, Mombasa Office / Chapter	KNCCI	

[Results]

- Through all the visits and lectures, the participants understood that the Malaysia government emphasizes on MSMEs development as a national agenda. The institutions that support MSMEs in Malaysia are very aware of what the other institutions are doing. The roles of each organization are specified and they are well coordinated.
- The collaboration between related governmental organizations is essential to make MSMEs more accessible to government supports. This should be applied to Kenya and the participants understood that it is the role of the government to coordinate and to manage the contents of each organization.
- The participants visited financial institutions and learned about the importance of financial support for MSMEs in Malaysia. They also reconfirmed that the government should play a key role in supporting start-up companies by visiting incubation facilities.

- From the services provided by Malaysia Productivity Corporation (MPC), the participants obtained the information on necessary BDSs for enhancing the capacities of MSMEs. Especially, the institutionalization of 5S, based on 5S promotion and certification by MPC, is regarded as one of the effective tools to the improvement of the productivity of the company even in Kenya.

(3) KAIZEN Knowledge Sharing Seminar (Africa KAIZEN Annual Conference)

During the Project period, the KAIZEN Knowledge Dissemination Seminars were held for the purpose of building networks among KAIZEN promoting institutions in Africa and sharing best practices on KAIZEN implementation and policy interventions. The counterparts and JICA related personnel of the JICA KAIZEN projects in Africa, as well as the representatives from other African countries who has the interest in promoting KAIZEN, participated in the seminars. The outlines of the seminars, including the names of the participants from Kenya, are shown in Table 37.

Table 37: Outline of KAIZEN Knowledge Sharing Seminars (Africa KAIZEN Annual Conference)

No	Title	Period	Venue	No. of Part.	Participants from Kenya
1	KAIZEN Knowledge Sharing Seminar 2016	March 23-25, 2016	Addis Ababa, Ethiopia	93	Mr. Stephen Kirui, Director, KIBT Mr. John Munguti, Director, NPCC Mr. Nelson Gaitho, KIBT Mr. Kiyonori Matsushima, JICA Kenya Ms. Anne Olubendi, JICA Kenya Mr. Takeshi Fujita, JICA project team
2	KAIZEN Knowledge Sharing Seminar 2017	April 26-28, 2017	Nairobi, Kenya	127	34 participants from KIBT, its collaborators (NPCC, KNCCI, SDT-MoITC, etc.) and JICA project team,
3	Africa KAIZEN Annual Conference 2018	July 2-4, 2018	Durban, South Africa	150	Hon. Bahari Ali, Chief Administrative Secretary, MoLSP Ms. Catherine Waweru, Acting Director, KIBT Mr. Patrick Nyakundi, KIBT Mr. Samuel Mulei, NPCC Mr. Timothy Jessop, Advisor, Megh Cushion Industries LTD. Mr. Takeshi Fujita, JICA project team
4	Africa KAIZEN Annual Conference 2019	June 24-26, 2019	Tunis, Tunisia	215	Ms. Catherine Waweru, Acting Director, KIBT Mr. Gideon Njogu, KIBT Ms. Emily Kagendo Mutegi, NPCC Ms. Regina Irungu, Production Manager, Ultravetis East Africa Ltd. Ms. Anne Olubendi, JICA Kenya Mr. Takeshi Fujita, JICA project team

As for the KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia, the reporters of the newspaper companies, such as the Standard, the Star, the People, were also invited to the seminar by the Embassy of

Japan in Kenya.

The KAIZEN Knowledge Sharing Seminar 2017 was held in Nairobi, Kenya, on 26th- 28th April 2017. It was co-hosted by JICA and the Government of Kenya. The JICA project team, KIBT and NPCC co-organized the event. From Kenya, 34 participants from KIBT, its collaborators (NPCC, KNCCI, etc.) and the JICA project team, joined the seminar. 127 participants from 17 countries and regions (Argentina, Cameroon, DRC, Egypt, Ethiopia, Ghana, Japan, Kenya, Malaysia, NEPAD, Senegal, South Africa, Sudan, Tanzania, Tunisia, Uganda and Zambia) took part in the seminar. In the seminar, the establishment of African KAIZEN Initiative was announced by JICA and NEPAD. Various information, such as KAIZEN practices in each country, successful cases, challenges for promoting KAIZEN, were shared through the information sheets of each country, presentations, panel discussion, group work, and site visits.



Panel Discussion among Key KAIZEN resource speakers from Ethiopia, South Africa, Malaysia and Argentina (KAIZEN Knowledge Sharing Seminar 2017 in Nairobi)



127 participants from 17 countries (KAIZEN Knowledge Sharing Seminar 2017 in Nairobi)

Africa KAIZEN Annual Conference (AKAC) (renamed from KAIZEN Knowledge Sharing Seminar) 2018 was held in Durban, South Africa, in July 2-4, 2018. More than 150 people from 20 countries participated in the conference. The participants learnt the best practices of KAIZEN implementation, including KAIZEN consultant training program, the certification system of KAIZEN consultant, KAIZEN Award.

AKAC 2019 was held in Tunis, Tunisia in June 24-26, 2019. The number of the participants increased to 215 from 17 countries. The characteristics of the AKAC 2019 was to conduct the examination and to hold the awarding ceremony of African KAIZEN Award. From Kenya, two enterprises, Ultravetis East Africa LTD. (one of the pilot enterprises of the Project) and Pipe Manufacturers LTD. (an enterprise selected by NPCC) participated in the conference and made the presentations during the conference. Both of the enterprises were certified for successful KAIZEN implementation. In addition, the key messages to enhance KAIZEN in Africa were created by the participants to the African Heads of States and policy makers at up-coming TICAD VII in August 2019.

2.7 Periodical Monitoring and Joint Coordinating Committee (JCC)

(1) Periodical monitoring

The KIBT-JICA team implemented periodical monitoring of the project activities through making Project Monitoring Sheets, as well as holding the JCC and Technical Committee (supplemental meeting to the JCC). During the Project period, 4 project reports and 8 Project Monitoring Sheets shown in Table 38 were made.

Table 38: Produced Project Reports and Project Monitoring Sheets

Names of the Reports	Submission
1. Reports	
(1) Work Plan	November 2015
(2) Project Progress Reports	
1 st Version	April 2016
2 nd Version	March 2017
3 rd Version	March 2018
(3) Project Completion Report	June 2019
2. Project Monitoring Sheet	
Ver. 1 (September 2015 - December 2015)	December 2015
Ver. 2 (January 2016 – April 2016)	April 2016
Ver. 3 (May 2016 – September 2016)	November 2016
Ver. 4 (October 2016 – March 2017)	April 2017
Ver. 5 (April 2017 – September 2017)	October 2017
Ver. 6 (October 2017 – March 2018)	April 2018
Ver. 7 (April 2018 – September 2018)	October 2018
Ver. 8 (October 2018 – March 2019)	April 2019

(2) Joint Coordinating Committees (JCC) and the Technical Committees

The JCC was held in order to approve the work plan, review overall progress of the project activities, conduct evaluation of the Project, and exchange opinions on major issues that arose during the implementation of the Project. The following organizations were the members of the JCC which were confirmed in the beginning of the Project.

- Ministry of Industry, Trade and Cooperatives (Chair)
- Ministry of Labour and Social Protection (MoLSP)
- Kenya Private Sector Alliance (KEPSA)
- Kenya National Chamber of Commerce and Industry (KNCCI)
- Micro and Small Enterprise Authority (MSEA)
- Kenya Industrial Research and Development Institute (KIRDI)
- National Productivity and Competitiveness Centre (NPCC)

- Kenya Institute of Business Training
- JICA Kenya Office and the JICA project team

[Observer]

Embassy of Japan in Kenya

JETRO Nairobi Office

Toyota Academy, Kenya

In addition, the Technical Committee was formed as the supplemental session of the JCC, in order to enhance information sharing among the JCC members and to promote the collaboration activities. The Technical Committee was held once in the on-site work in Kenya when the JCC was not held. The members and the observers of the Technical Committee were invited from the same organizations of the JCC.

The summaries of the discussion in the JCCs and the Technical Committees are shown in Table 39. The minutes of both meetings are attached as [Appendix 8].

Table 39: Summaries of the discussion in JCCs and Technical Committees

No	Date	Venue	Contents of discussion
1 st JCC	13 th October 2015	Board Room, Teleposta Building	<ul style="list-style-type: none"> ● The Work Plan of the Project was explained and it was finally agreed among the JCC members. ● The outline of the selected pilot enterprises for the 1st year was introduced. ● An enquiry was made whether it is possible to train trainers of other organizations apart from KIBT. It was explained by JICA experts that the project design of focusing on the master trainer at KIBT was made based on the experiences of KIBT in the previous JICA project, as well as its trained human resource. It was clarified that the design of the project is such that KIBT MTs can in future train other KIBT lecturers or other trainers outside KIBT.
1 st Technical Committee	23 rd February 2016	Weight & Measures Hall	<ul style="list-style-type: none"> ● The progress of the project activities, including the examples of analysis in on-site consultancy, was shared among the members. ● The promotion material of KIBT's new training program was introduced and the possible collaboration activities were discussed (PCK, KIRDI and MSEA showed the interests in the implementation of joint training). ● The plan of the 3rd on-site work in Kenya (June-September 2016) was explained.
2 nd JCC	30 th August 2016	Board Room, Teleposta Building	<ul style="list-style-type: none"> ● JICA expressed the appreciation to the JCC members for the support on TICAD VI related activities. ● The results of the activities, as well as the achievements and the plan of the next year, were explained by the KIBT-JICA team. ● The revision of one of the PDM indicators was proposed. After the discussion at the JCC, it was agreed by the JCC members to revise the PDM as it had been proposed.


			<ul style="list-style-type: none"> ● A member asked how the KIBT-JICA team assisted the enterprises in inculcating 5S and Kaizen culture. The team replied that it advised the enterprises to develop the champions of 5S and Kaizen within the enterprise. In addition, the team encouraged each enterprise to establish 5S committee to spearhead the activities. ● A member asked MoITC the direction of the ministry to support sustainable provision of on-site consultancy to SMEs. The ministry assured that the government would provide necessary budget for the program, since this program was a core activity of the ministry (State Department of Trade).
2 nd Technical Committee	8 th December 2016	Weight & Measures Hall	<ul style="list-style-type: none"> ● The progress of the project activities was explained by the KIBT Project Coordinator. KIBT Director introduced the Re-branding Strategy of KIBT. ● The current status of on-site consultancy for the 2nd year was shared among the members by the MTs in the 3 management fields. ● The plan of the 5th on-site work in Kenya (February -May 2017) was explained. The plan of inviting TCs for the 3rd year from related organizations was introduced and it was agreed by the members. ● The embassy of Japan and JETRO expressed the appreciation to the Project on supporting Japanese related enterprises in various ways. They requested to the KIBT-JICA team for considering the possible support for the new entry of Japanese related enterprises to Kenya.
3 rd Technical Committee	4 th April 2017	Weight & Measures Meeting Room	<ul style="list-style-type: none"> ● The progress of the project activities was explained by the KIBT Project Coordinator. ● The results of on-site consultancy impact survey for the pilot enterprises in the 1st year was presented. ● As for the KIBT work plan, it was clarified that the necessary budget of implementing consultancy by KIBT itself would be secured in 2017/2018. ● As for the result of on-site consultancy impact survey, a question was raised on how the KIBT-JICA team could have supported one of the 1st year pilot enterprises which faced severe loss of sales, due to the cancellation of a major foreign customer. The team explained that the situation happened several months after the completion of the consultancy. In addition, it was clarified that the on-site consultancy by the team focused on improving management process and decision making for selecting the customer was out of the scope.
3 rd JCC	13 th July 2017	Board Room, Teleposta Building	<ul style="list-style-type: none"> ● The results of the activities, as well as the achievements and the plan of the next year, were explained by the KIBT-JICA team. In addition, the findings from on-site consultancy in pilot enterprises were briefed by the TCs in the 2nd year. ● As for promotion and internal transfer of KIBT lecturers within the ministry, JICA Kenya Office clarified the necessity of the KIBT lecturers to remain at KIBT at least until the end of the Project. The PS, Dr. Kiptoo, showed his understanding of the importance of this Project and confirmed to take the necessary measure for it. ● The PS also noted that the results of the 2nd year were very

			<p>impressive. He mentioned that enhancement of the capacity of SMEs was crucial for the expansion of the export. He requested for scaling up of the scope of the project to include EPC and KIRDI. There was need for the Kenyan government to make a request for enhancement of funding to JICA in order to upscale the operations of the Project.</p> <ul style="list-style-type: none"> ● JETRO Nairobi Office expressed the need to support Kenyan SMEs who were interested in accessing the Japanese market in order to reduce the trade deficit between Kenya and Japan.
4 th Technical Committee	14 th November 2017	Weight & Measures Board Room	<ul style="list-style-type: none"> ● The progress of the project activities was explained by the KIBT Project Coordinator. ● There was further clarification on the GOK budgetary allocation for sustaining the activities based on the results of the Project. The Deputy Director KIBT pointed out that the supplemental budget for the JICA project would be catered for in the 2018/2019 budget. The JICA project team clarified that the budget for implementing on-site consultancy for 2 companies by KIBT itself was included in the 2017/2018 KIBT annual work plan with the budget. ● There was a question on the reason which one pilot enterprise was not satisfied with the consultancy. The KIBT-JICA team explained that the enterprise demanded the tangible results, such as sales increase from the on-site consultancy. The enterprise was not interested in the approach of continuous management improvement on which our on-site consultancy was based and it did not cooperate with us. KIBT and JICA team explained the importance of these activities, but the top management of the enterprise was not convinced. ● There was concern over rolling out the project to other counties outside Nairobi. JICA Kenya Office informed that the GOK (MoITC) made a request to JICA on the 2nd phase of the Project in August 2017. One of the ideas in the request is to expand the activities to some regional areas. The necessity and feasibility of the 2nd phase will be examined in the next year. ● NPCC informed that it was ready to cooperate with KIBT and JICA in the 2nd phase of the Project. ● JICA Kenya Office emphasized that KIBT needed to establish a system to utilize the trained human resource in the Project after the completion of the Project, which is the critical point of the feasibility of the 2nd phase of the Project.
4 th JCC	19 th April 2018	Board Room, Teleposta Building	<ul style="list-style-type: none"> ● The progress of the project activities was explained by the Project Manager (KIBT director). ● The achievements of the Project were explained by the JICA project team. ● JICA Monitoring Mission Team explained the result of the monitoring study. Although it agreed on the results of the achievement of the Project, it also clarified the concern on the sustainability of the Project activities, mostly due to the expected transfer of the trained trainers from KIBT. In order to sustain the project activities, the team suggested that KIBT should strengthen the collaboration with KIBT

			<p>collaborators in continuous provision of training and consultancy services. The mission team therefore proposed one-year extension of the project period, in order to implement the following activities.</p> <ul style="list-style-type: none"> ➤ Establish the Coordinating Committee with KIBT collaborators to maximize quality and scope of business services required by SMEs. ➤ Develop and implement new curriculum on training of trainers on business plan in cooperation with KIBT collaborators. ➤ Monitor continuous cycle of providing business services with KIBT collaborators. <ul style="list-style-type: none"> ● The JCC members agreed on the proposal by the mission team.
5 th Technical Committee	26 th June 2018	Weight & Measures Meeting	<ul style="list-style-type: none"> ● The progress of the project activities, as well as its achievements, were explained by KIBT Project Coordinator. ● The JICA project team explained the draft plan of the activities in the one-year extension period (from September 2018- August 2019). <ul style="list-style-type: none"> ➤ The Coordinating Committees are planned to be held 3 times. ➤ The training of trainers on business plan will be held in October 2018, in order to enhance the knowledge on business plan of the trainer candidates (TCs) who are sent by KIBT and its collaborators. The selected TCs among the TOT will facilitate the pilot training programs on business plan for business executives in March 2019. ➤ The study trip to Malaysia is planned to be implemented in January 2019, senior managers of KIBT and its collaborators will be invited. ● Some of the JCC members showed the interest in sending their staff to the training of trainers on business plan. The KIBT-JICA team mentioned that they would send the invitation letters to the JCC members.
5 th JCC	10 th July 2019	Board Room, Teleposta Building	<ul style="list-style-type: none"> ● Director of Administration, MoITC, read the message of PS, Dr. Kiptoo. He appreciated JICA support and it helped enhancement of the capacity of SMEs in Kenya for the increase of the internal and external trade. ● The results of the project activities were presented by KIBT Project Coordinator. ● The JICA project team explained the achievements of the Project, based on the PDM. The team also made the proposals to achieve the overall goal (It is referred in '5. Proposals for Achieving Overall Goal'). ● Ms. Catherine Waweru briefed the Message (draft) by the participants of AKAC 2019 to the African Heads of the Nations in TICAD VII. ● JICA Kenya Office and the project team explained the draft concept of the post HRD-ID project. They clarified that the further studies would be conducted for finalizing the concept. ● JCC members showed the appreciation to JICA and KIBT for their efforts for implementation of the Project.

(3) Revision of Project Design Matrix (PDM)

In the Project, one of the PDM indicators below was proposed to be amended in the 2nd JCC on August 30, 2016, in order to adjust the indicator according to the reality of setting the themes of on-site consultancy especially in Marketing & Sales Field and Financial Management Field¹⁵.

<p>[Original] 3.2 Waste in operation per pilot enterprise is reduced by 20% on average</p>		<p>[Proposed revision] 3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on both Japanese side and Kenyan side (the improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).</p>
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After the discussion at the JCC, it was agreed by the JCC members to revise the PDM as it had been proposed. The Addendum to the Record of Discussions was signed on 7th September 2016.

¹⁵ The original indicator was focused on waste elimination of the operation. However, after the starting of the on-site consultancy, KIBT-JICA team found that appropriate management plan/strategy/system was yet to be established in most of pilot enterprises. The waste elimination of business processes could be promoted only after the management plan/strategy/system was created.

3. Issues, Countermeasures and Devices in the Course of the Implementation of the Project / the Lessons Learnt

3.1 Issues, Countermeasures and Devices - Implementation Methods

(1) Difficulty of finding the appropriate pilot enterprises for on-site consultancy in three management fields
Throughout the project period, there was a difficulty of finding the appropriate pilot enterprises for conducting on-site consultancy in all the 3 management fields, namely ‘production & quality management’, ‘marketing & sales’ and ‘financial management’. In the 1st year, one enterprise dropped out of the pilot consultancy in the middle of the consultancy period, since it was confirmed that the commitment as the pilot enterprise could not be maintained due to the change in its management policy.

Based on the lesson learnt from the 1st year, the KIBT-JICA team started the process of selecting the pilot enterprises earlier and took more time to select more prepared enterprises. The KIBT-JICA team also tried to expand the network of collaboration. For example, the team had got contact with a Dutch consultant firm on flower manufacturing technology (Flower Watch) and a financial institution (AfricInvest) for the introduction of essential candidate enterprises. Some of the pilot enterprises introduced their clients/suppliers as the candidate enterprises.

Even though the efforts were done, in the 2nd and 3rd year, there were 3 pilot enterprises whose production capacities were found to be not sufficient enough to conduct on-site consultancy on ‘production and quality management’, after the start of on-site consultancy. For these enterprises, the team decided to conduct on-site consultancy on only two fields, ‘marketing & sales’ and ‘financial management’. And the team selected other enterprises with more production capacity as the pilot enterprises on ‘production & quality management field’.

The items shown in Table 40 are confirmed as the requirements for selecting the enterprises capable of creating bigger impacts through the consultancy, during the process of implementation of on-site consultancy in the Project.

Table 40: Requirements for Selecting the Enterprises Capable of Creating Bigger Impacts through Consultancy (Regarding manufacturing SMEs)

Field	Requirement
Common in all the fields	Previously mentioned as ‘The selection criteria for pilot enterprises’
Production and quality management	<ul style="list-style-type: none"> ● Production activity is operated continuously. There are stable amounts of orders, as well as stable supply of raw materials. ● There is a standard product. The standardization is possible to improve the production of the product as the model. ● The changes of the layout of the factory and production lines can be done by the decision of the company. If the company uses rental factory or rental production lines, the countermeasures related to the change of factory layout and line might not be taken for solving the root cause of the issue.
Marketing and sales	<ul style="list-style-type: none"> ● The company has the function of marketing and sales. In case that the company specializes only in contracted production for its parent company, it may not have the function of marketing and sales. It is difficult to conduct the consultancy in this field. ● The staff in charge of marketing and sales is allocated. ● It is possible to make a direct access to the main customers of the company. By conducting the interview directly with these customers, the consultant team can support the company to make marketing/sales strategy based on the actual voice of the customers.
Financial management	<ul style="list-style-type: none"> ● Correct financial data (for about 3 years) is provided. ● The function of financial management is not completely outsourced. And the staff in charge of marketing and sales is allocated. ● Accounting data is managed in books, etc., before the consultancy.

(2) Hesitation to the disclosure of financial data of pilot enterprises

Some pilot enterprises hesitated to disclose their financial information. One of the main cause would be the hesitation to share them to the third party, and the other would be the inappropriate control of financial data itself. The KIBT-JICA team tried to encourage the executives for the provision, by explaining the merits of financial analysis carefully. Besides, the consultancy activities which did not necessarily require financial data, such as implementation of 5S and improvement of operation of financial management processes, were conducted first, in order to build the trust from such pilot enterprises, which made them feel to provide financial data.

3.2 Issues, Countermeasures and Devices - Operation Organization and Others

(1) Effective management of two activities- the project activities and KIBT’s original activities

In the 2nd year, 10 MTCs and 9 TC s of KIBT were allocated to the project activities. Total number of the lecturers at KIBT is 32, and approximately 60% of the lecturers were involved in the project activities. Apart from the JICA project activities, there were KIBT original activities specified in the performance contract. Needless to say, there are the performance indicators which KIBT and its lecturers needs to fulfill for the original activities.

In order to implement both activities parallel, the effective management and good planning of the activities were required. The JICA project team had provided the activity plan for the KIBT beforehand, so that the KIBT lecturers were able to make the plan of their original activities according to their availability. Besides, since most of the time of MTCs was allocated to the project activities, the performance indicators of KIBTs and its MTCs were revised accordingly.

(2) Promotion and Transfer of KIBT lecturers to Other Departments within the Ministry

In March 2017, 12 lecturers (7 MTCs and 5 TCs) applied for promotion in the other departments of the State Department for Trade at the end of March 2017. It was assumed that KIBT lecturers might have to apply to the post in the other departments, since there was no post for promotion open within KIBT. Consequently, there were some MTCs and TCs whose attendance ratio of on-site consultancy was relatively low. In June 2017, it was confirmed that 11 lecturers (6 MTCs and 5 TCs) had been promoted and transferred to the other departments. A critical issue of losing the counterparts for technical transfer occurred.

JICA Kenya Office reacted it immediately and proposed to the Principal Secretary (PS), the Ministry of Industry, Trade and Cooperatives, so that these lecturers would stay at least until the end of the Project, in order to complete necessary technical transfer. In the middle of September 2017, the letter from the PS that instructed the promoted lecturers to remain KIBT until the end of main project activities (June 2018) was issued and sent to the lecturers.

As the result, the promoted MTCs and TCs remained at KIBT until June 2018 and completed the training program. In the beginning of July 2018, after the end of the initial period of the Project, the 10 promoted KIBT lecturers (5 MTs and 5 Trainers in the 2nd year) moved to other departments of MoITC. To supplement the reduced number of the staff, MoITC announced the recruitment of the new staff of KIBT in August 2018. After the interview and the release of the result in October and November 2018, the Public Service Commission (PSC) delayed deployment letters for the officers recruited / promoted to join the KIBT until April 2019. In May 2019, PSC approved the recruitment and the transfer. The number of the new staff was 12 (Senior Principal Lecturer: 4, Lecturer: 7, and Graphic Designer: 1). 2 Trainers of the Project (who were trained in the 2nd year) were included among them.

(3) Delay of the project activities due to the uncertainty of political situation after the repeat presidential elections

The result of the presidential election on August 8, 2017, was annulled by the Supreme Court in the middle of September 2017, and the repeat presidential election was set for October 26, 2017. After the announcement of withdrawal of the candidate for the opposition alliance from the election at the beginning of October, the political situation became uncertain and security status unstable.

The result dissemination seminar for the 2nd year was first scheduled in July 2017. It was postponed to November 2017, due to the initial date of the presidential election. However, considering the situation after the announcement of the repeat election, in consultation with JICA Kenya Office, the JICA project team and KIBT agreed on the postponement of the seminar to March 7, 2018. In addition, some of the visits to the pilot enterprises for on-site consultancy around the repeat election (October 26, 2017) were forced to be postponed due to the security cautions in Nairobi. KIBT-JICA team needed to implement on-site consultancy efficiently and intensively on the limited days (for example, by visiting 2 enterprises in a day).

In addition, for managing the project activities, the Leader of the JICA project team was obliged to come to Kenya earlier in September 2017 and to extend his stay in Kenya in November 2017. He also visited Kenya earlier than the plan in February 2018, so as to make the necessary preparation for the postponed result dissemination seminar in March 2018.

(4) Budget constraint of KIBT for providing Meal Allowance for MTCs

There is an allowance for KIBT staff, called 'Meal Allowance', which is paid to the staff when they are engaged in job duties outside KIBT or the headquarter of the ministry. The initial agreement of this Project stipulated that such a cost would be borne by the Government of Kenya (KIBT). However, due to the budget constraint, the allowance was not paid to the MTCs in the 2nd year, when they participated in the activities of the Project. It was said to be a factor demotivating the MTCs.

At the end of September 2017, KIBT made a request to the JICA project team to consider providing the allowance for the MTCs. The JICA project team discussed with JICA HQ and JICA Kenya Office on the possibility of the provision of the allowance. After careful consideration, at the end of October 2017, it was decided on exceptional basis to provide the allowance for the MTCs according to the limitation of the budget of the Project, when the MTCs conducted on-site consultancy in the 3rd year. The attendance rate of the MTCs had been improved from then.

(5) Securing the attendance of the TCs from different organizations in the 3rd year

The TCs in the 3rd year were sent from the collaborator organizations (KNCCI, NPCC, KIRDI, and Internal Trade). Although the KIBT-JICA team had received the agreement letter from each organization to confirm the participation of the TC in the training program, there was a risk that they would not achieve the indicator of the attendance rate, due to the other assignments in their organizations.

Actually, there were some TCs from an organization who could not attend the training program in October 2017, due to the other job assignment in their organization. In this case, the representatives of both the JICA project team and KIBT met the senior executives of the organization and made the request for prioritizing the training program to other activities. After the meeting, the attendance rate had been improved greatly.

3.3 Lessons Learnt

The followings are the main lessons learnt in the course of the implementation of the Project.

(1) Significant needs for the provision of business training and consultancy for SMEs

Productivity of most of SMEs in Kenya remains still relatively low due to lack of introduction and application of appropriate managerial and technical skills. In production and quality management, their workshops are not often organized well enough to sustain efficiency and safety. There are many of wastes of processes and operations observed. There are many defect products, but the root cause of quality issues is not examined enough to take practical countermeasures. As for marketing and sales, many of the SMEs are not familiar with having the frequent communication with the customers for understanding the real needs of the customers. The needs of the customers are neither captured nor utilized for improving the quality of the services and products. The sales activity is not appropriately managed and the valuable information of the customer is not properly shared within the company. In terms of financial management, financial information is not arranged well in order that top executives easily get access for quick decision making or provide necessary financial documents easily for requesting the loans to financial institutions. There are many SMEs which are not accustomed to issuing periodical management reports including updated financial information.

Table 41 represents the willingness to pay for model training programs for the staff of pilot enterprises. 39.4% of the participants showed their willingness to pay ‘10,001-30,000 KSH’ for the same program (the same contents for 6 hours per day x 3-5 days). Table 42 also shows the willingness to pay for on-site consultancy. 30.2% of the pilot enterprises showed their willingness to pay ‘50,001-100,000 KSH’ for the same scale of consultancy as it was held in this Project.

Most of the beneficiaries of business services in the Project showed the willingness to pay for model training and on-site consultancy, despite the variance in the amount of the fee.

Table 41: Willingness to Pay
for Model Training
(71 responses. For the same contents of the program
for 6 hours per day x 3-5 days)

Amount	Ratio (No. of Reply)
0-5,000 KSH	1.4% (1)
5,001-10,000 KSH	16.9% (12)
10,001- 30,000 KSH	39.4% (28)
30,001- 50,000 KSH	19.7% (14)
50,001 – 100,000 KSH	15.5% (11)
More than 100,001 KSH	7.0% (5)

Table 42: Willingness to Pay
for On-site Consultancy
(43 responses. For the same scale of consultancy as it was
implemented in this Project)

Amount	Ratio (No. of Reply)
0-10,000 KSH	4.7% (2)
10,001-50,000 KSH	20.9% (9)
50,001- 100,000 KSH	30.2% (13)
100,001- 200,000 KSH	20.9% (9)
200,001 – 500,000 KSH	11.6% (5)
More than 500,001 KSH	11.6% (5)

Therefore there are still strong needs of SMEs in Kenya for business training and on-site consultancy, in order to improve their business process and enhance their capacities for growth.

(2) Applicable business management methods to the SMEs in Kenya

In order to enhance the capacities of the SMEs in Kenya, the provision of business training and consultancy by KIBT and its collaborators can help the SMEs to solve management issues. Based on the experiences of implementation of on-site consultancy in the Project, the management concepts and methods which are shown in Table 43 were well accepted by the pilot enterprises. And they created practical results (the detail results of on-site consultancy are referred in [Appendix 6] and [Appendix 7]).

Table 43: Main Management Issues and Useful Management Methods for SMEs in Kenya

Field	Main Management Issues	Useful Methods
Production and quality management	Appropriate control of production site	5S, visual control
	Safety control	5S, KAIZEN, visual control
	Establishment of effective production process and operation process (waste elimination)	5S, KAIZEN, visual control, Industrial Engineering, preventive maintenance
	Quality improvement	5S, KAIZEN, visual control, QC 7 tools / Quality Control Circle
	Appropriate control of inventories	5S, KAIZEN, visual control, inventory management methods (First-In-First-Out, etc.)
Marketing and sales	Development of marketing / sales strategy based on the needs of customers	Customer survey, marketing strategy theories (3C, PEST, 5 Force, etc.), market research, segmentation
	Improvement of customer relationship	Customer relationship management, segmentation, sales management, training of sales staff
	Appropriate management of sales activities	Sales management, training of sales staff, knowledge management
	New product development based on market needs	Market research, new product development based on PDCA, pricing strategy
Financial management	Appropriate management of financial information	5S, Visual control, simple financial template
	Creation of periodical management reports including updated financial information	Periodical financial report utilizing simple financial template, financial analysis methods (break-even point, profitability, productivity, cash flow, etc.), budget control
	Appropriate business performance management based on financial information	Financial analysis methods, performance management by Key Performance Indicator, budget control

In addition, based on the feedback of the participants of the model training programs, the following training programs were found to be practical and useful to enhance the development of business and management functions of SMEs. The objectives and the characteristics (the reasons why the program is useful for the SMEs in Kenya) are shown in Table 44.

- Management strategies and planning for executives
- Business plan for executives of micro & SMEs
- Business skills for new graduates
- Management skills for middle managers and supervisors

Table 44: Objectives and Characteristics on Useful Training Programs for SMEs in Kenya

Training Programs	Objectives	The reasons why the program is useful for the SMEs in Kenya
Management strategies and planning for executives	Executives and managers obtain the knowledge and skills to form management strategy and make management plans.	Most of the executives and the managers of SMEs in Kenya don't have proper skills on management strategy and management plans. This course focus on how they can build feasible management strategy by analyzing internal capacity and external business environment. The satisfaction levels of the participants in the model training programs for both Toyota Kenya and pilot enterprises in this Project were very high.
Business plan for executives of micro & SMEs	Executives and managers obtain necessary practical skills for creating a business plan of the company.	Many MSMEs in Kenya don't have business plan. So, they are not able to manage their business properly. In addition, it is not easy for them to be qualified for financial scheme without business plan. The satisfaction levels of the participants in the model training programs for pilot enterprises in this Project were very high.
Business skills for new graduates	Participants learn necessary mindsets as business personnel. And they become capable of appropriate business communication, including 'Reporting', 'Contacting' and 'Consulting'.	It is confirmed that there are not many training programs on practical business skills for school graduates in Kenya. In order to enhance the readiness of school graduates for entering business society, it is important for them to learn business mindsets and communication skills as a business person. The satisfaction level of the participants in the model training program for JKUAT in this Project was very high.
Management skills for middle managers and supervisors	Middle managers are aware of necessary roles as a manager and they will try to change their behavior. And they will obtain the skills as the leader who can initiate the team for achieving organizational objectives.	Private training institutes or universities in Kenya provides training programs which contains the essences of managerial skills, such as leadership, motivation, coaching. However, there is a little number of training programs which cover the necessary skills for middle managers considering the actual managerial practices, including performance management, training of subordinates and improvement organizational capacity. Middle managers are the key persons to implement any activities to improve business process and need to have appropriate skills for fulfilling their roles. The participants of the model training programs for pilot enterprises in this Project evaluated that the training contents were applicable to the SMEs in Kenya to improve their business management. The satisfaction levels of the participants were very high.

(3) Effective combination of provision of on-site consultancy and business training

In this Project, the model training programs on 5 modules (management strategy & planning, production & quality management, marketing & sales, financial management and management skills) were implemented for executives and managers in pilot enterprises after the completion of the on-site consultancy (in the 3rd year of the Project). Since most of the pilot enterprises requested for the follow-up after the termination of the consultancy¹⁶, it became a good opportunity to support the sustainability of the results of on-site consultancy in the pilot enterprises. In addition, after some of the outcomes are created through on-site consultancy, top executives need to train the persons in charge of actual operations on how to sustain the outcomes. Therefore, the combination of on-site consultancy and business training, namely 'provision of business training to the staff in charge after on-site consultancy' is very effective, so that the enterprise sustains the results of the on-site consultancy.

¹⁶ Based on the results of on-site consultancy impact survey

(4) A practical approach to training program on business plan

In the extended period of the Project, the training programs on business plan for enterprises were implemented. In a 5-days program, one day was allocated for the participants to make a business plan for their own enterprise based on their own management information and financial data. In order to make the participating enterprises create a business plan as appropriate as possible, the KIBT-JICA team encouraged each enterprise to send 2-3 directors / managers in charge of different departments to the same training program. The TCs on business plan and JICA experts, like the mentors, assisted each enterprise for making and improving the business plan. It was evaluated as very practical by the participants, since they could use the plan soon after the program.

(5) Challenges which MSMEs and public BDS providers are facing

Based on the study on business development services (BDS) for MSMEs which was conducted in the extended period of the Project, the MSMEs/entrepreneurs have more difficulty with access to finance than larger firms, due to higher interest rate, shorter maturity of loan and more strict collateral requirements.

On the other hand, there is a limitation of sustainable BDS provision only through public sector. It is because of:

- Lack of network and coordination between public BDS providers, as well as between public and private BDS providers
- Frequent transfer of the trained human resource
- Limited provision of BDSs, due to the limitation of budget and human resource, and also the lack of practical model of the service provision (including cost sharing system, information sharing system, etc.)

Therefore, in Kenya, One-Stop Service of BDS by public BDP providers is not yet provided for MSMEs. The inclusion of private BDS providers should be considered and the necessary eco-system should be prepared.

4. Achievement of Outputs and Project Purpose

4.1 Output 1 (Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.)

[Indicator 1-1] Annual work plan(s) based on the new training and consultancy programs, including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts, are developed.

- Since the commencement of the Project, KIBT has made 4 annual work plans in 2016/2017, 2017/2018, 2018/2019 and 2019/2020, without assistance from the JICA project team. In these plans, new business services developed in the Project were included.
- In the annual work plan of 2017/2018, the target indicator of the number of on-site consultancy was set at 8 enterprises, which were more than 6 pilot enterprises in the 3rd year of the Project. Actually, the on-site consultancy for 8 enterprises were implemented, including 2 enterprises by KIBT itself.
- In 2018/2019 when was after the technical transfer on consultancy skills by JICA experts, the number of consultancy firms was set at 10 firms in a year. After some of the MTs served the role as the facilitator of the management training under JICA OVOP in Embu County, Bomet County and Kakamega County, KIBT agreed with both Bomet and Kakamega Counties to provide on-site consultancy for the MSMEs in the counties. KIBT actually implemented the on-site consultancy for 4 firms without the assistance of Japanese experts, but it fell short of the set target.
- Apart from the 2 county governments mentioned above, KIBT has finalized the MOUs for the provision of entrepreneurship and business training / on site consultancy with the following organizations:
 - County Governments: Nakuru, Meru, Kirinyaga, and Embu
 - Universities: Kabarak University, Management University of Africa, Kenyatta University and University of Embu
 - Financial institution: Post Bank
 - Industrial associations: KNCCI and KAM
- The needs of the stakeholders for the new training and consultancy programs were confirmed in the 1st year of the Project. The KIBT's annual reports in the recent three years were studied and the analysis on KIBT's current activities was conducted. The issues on the activities were identified. Based on the analysis, KIBT made the strategy of Re-Branding of KIBT in November 2016, for enhancing the awareness of KIBT's service among private sector and other potential partners, in collaboration with the JICA experts.
- New business training for SMEs was modified as KJ-PRIME, and it has been promoted as one of the main activities of KIBT under the Re-Branding Strategy. Based on the curricula of KJ-PRIME, the model training programs were implemented in collaboration with Toyota Kenya (Academy) and

JKUAT in the 1st and the 2nd year. In addition, the model training programs on 6 new curriculums under KJ-PRIME were implemented for pilot enterprises in the 3rd year and the extended period of the Project. Through the implementation of these programs, the implementation mechanism, including updating the needs of the SMEs, revising the guidelines and implementation tools, and developing the capacity of the MTs as the instructors, has been mostly established.

- According to the Medium-Term Expenditure Framework (MTEF) under Vision 2030 issued in March 2019, the budget amount which are planned to be allocated to KIBT in 2017/2018-2020/2021 shows the trend of gradual increase (Table 45). The increased part is expected to be allocated to the new business services (business training and consultancy for SMEs). For sustaining the results of the Project as well as securing the expansion of the mandates of KIBT, the provision of budget allocation should be monitored.

Table 45: Budget Allocation to KIBT in MTEF

Financial Year (FY)	2017/2018 (Actual)	2018/2019 (Actual)	2019/2020 (Plan)	2020/2021 (Plan)
Recurrent Total (KSH)	83,006,824	93,178,680	96,739,734	99,249,894
Development Budget for Parkland Building (KSH)	11,000,000	102,000,000	240,000,000	0

[Indicator 1-2] Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project.

- The 1st version of training guidelines (curricula and syllabus) and training tool (textbooks and training manuals) were completed in the 1st year. The MTCs and TCs have been revising them and conducted the CRTs for TCs and model training programs for pilot enterprises.
- The training guidelines (curricula and syllabus) and training tools were revised based on the results of on-site consultancy for the 3 years.
- In the extended period of the Project, the JICA project team and KIBT completed the guidelines and tools for the training programs on business plan. They were used in ‘the TOT on business plan’ in October 2018 and ‘the model training programs on business plan for business executives’ in March 2019.

[Indicator 1-3] At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.

- 67.4% (29 enterprises) of total candidate enterprises (43 enterprises for visit study) was introduced by the collaborators in the 3 years. The ratio of the enterprises which was introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises).

- The joint team among JICA experts, KIBT MTs and the TCs from collaborators (KNCCI, NPCC, KIRDI, and Internal Trade) conducted on-site consultancy for all of the 7 pilot enterprises in the 3rd year. The rate of on-site consultancy done by the joint team was 33.3% (7 enterprises out of 21 enterprises) in the 3 years.
- In the extended period of the Project, the Coordinating Committee, which aimed at enhancing the collaboration with the external organizations, were held 3 times. In addition to the JCC member organizations, other organizations who were mandated to provide business development services for MSMEs and entrepreneurship, participated in the meeting. KIBT discussed with them the collaboration activities and implemented business training and consultancy in collaboration with some of the organizations, such as Kabarak University, Management University of Africa, Kenyatta University, University of Embu, Post Bank, KAM, and KNCCI.

4.2 Output 2 (KIBT lecturers for the new training and consultancy programs for SMEs are empowered.)

[Indicator 2-1] All candidates of master trainers passed the criteria defined in the Project to become the master trainers.

- All of 10 MTCs cleared the indicators in 4 assessment criteria at the 1st assessment in August 2016. They proceeded to the process of ‘Training of Master Trainer- Practice Process’ in the 2nd and 3rd year.
- 1 MTC in Financial Management Field left KIBT in March 2017. To supplement the MTC, a Trainer who was trained in the 2nd year joined the MTC’s training program of the 3rd year in October 2017.
- In November 2017, 1 MTC in Marketing and Sales Field was transferred to a KIBT regional office in Kisumu and it was found that he would not be able to participate in the training program of MTC. However, he has utilized the skills obtained for supporting the SMEs in the region, since he moved. He provided the business training by using the improved training tools. And he has an agreement with 4 enterprises (2 food, 1 textile and 1 metal) in Kisumu on the provision of on-site consultancy and will implement it in 2019/2020 FY.
- Except the MTCs above, 8 MTCs completed the achievement indicators set in the final assessment in June 2018 and they received the certification as the MT. As for the MTC who had joined the MTC’s training program of the 3rd year in October 2017, it was confirmed that he needed to have more practical experiences of on-site consultancy before being certified as the MT, since he went through the practice process of training of MTC only for a year (the MTC is expected to experience the process for 2 years).

[Indicator 2-2] More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.

- In the 2nd year, 9 KIBT lecturers were trained as the TCs by the MTCs under the supervision of JICA experts. All of them passed the achievement indicators at the assessment in July 2017.
- In the 3rd year, 9 TCs from the collaborators were trained by the MTCs under the supervision of JICA experts. All of them passed the achievement indicators at the assessment in June 2018.
- In the 3rd year, 3 KIBT lecturers were trained as the trainers on business skills / management skills. All of them passed the achievement indicators at the assessment in June 2018.
- During the extended period of the Project, 7 TCs from KIBT and the collaborators were trained as the TCs on business plan. All of them passed the achievement indicators at the assessment in March 2019.

4.3 Output 3 (Indications to show business performance improvement at selected pilot enterprises are found.)

[Indicator 3-1] 5S is practiced by all pilot enterprises.

- In the assessment of the achievement in the end of all the 3 years (July 2016, June 2017 and June 2018), 5S was practiced in all of 21 pilot enterprises for the 3 years.
- According to the on-site consultancy impact survey, most of the pilot enterprises (18 out of 21 enterprises) continued 5S activities after the completion of on-site consultancy.

[Indicator 3-2] Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed upon by the project team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively¹⁷).

- The improvement ratio of business process (including waste elimination) was 25.9% on average in all the pilot enterprises (21 enterprises) for 3 years.

[Indicator 3-3] A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.

- Developed KIBT leaflets were distributed in the TICAD VI Side Event on 27th August 2016. It has been used for promoting the activities of KIBT.
- The two banners on KIBT business service (one for business training for SMEs, the other for consultancy) have been exhibited in most of the KIBT events, including result dissemination seminars and entrepreneurs training programs, since August 2016.
- Consulting Guide was completed in February 2018 and was distributed to the participants in KIBT's

¹⁷ The revision of this indicator was proposed by the KIBT-JICA team at the 1st JCC meeting on August 30th, 2016. It was agreed by the JCC members. The detail is explained in '2.6 Periodical Monitoring and Joint Coordinating Committee (JCC)'.

events, including 2nd and 3rd result dissemination seminars. It has been used for promoting KIBT's on-site consultancy of KIBT.

- The best practice DVD (the case of Megh Cushion Industries Ltd.) was completed in the beginning of June 2018. It was shown in the 3rd result dissemination seminar (June 22, 2018) and AKAC 2018 (July 2018). Since the completion, it has been used by KIBT to promote its consultancy.
- These materials have been and will be used (the printed materials have been and will be distributed) for promoting business training and consultancy services to the enterprises in the KIBT training programs, as well as business clinics.

4.4 Project Purpose (Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.)

[Indicator 1] Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.

- According to the satisfaction survey from the pilot enterprises for the 3 years, 93.3% of the pilot enterprises were satisfied with the results of on-site consultancy (Table 46).
- Table 42 (shown in '3.3 Lessons Learnt') also represents 'willingness to pay for consultancy' of pilot enterprises for the 3 years. Most of the enterprises showed the willingness to pay for consultancy, despite the variance in the amount of consultancy fee.

Table 46: Results of Satisfaction Survey from Pilot Enterprises

Satisfaction of pilot enterprises on consultancy service provided (45 responses out of expected 54 responses)		
Yes, very much	77.8 % (35)	93.3%
Yes	15.6% (7)	
Neutral	2.2% (1)	
Not so much	0.0% (0)	
Not at all	4.4% (2)	

[Indicator 2] "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.

- As previously mentioned, new consultancy service for SMEs was included in KIBT's annual plan between 2016/2017 and 2019/2020. In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts.
- The curricula of new business service, KJ-PRIME, was developed in the 1st year of the Project. Based on the curriculum of KJ-PRIME, the model training programs were implemented in collaboration with Toyota Kenya, JKUAT and pilot enterprises of the Project. The MTCs and TCs played the role as instructors in the programs. KIBT showed the strong intention to conduct the training programs base

on the curriculum of KJ-PRIME in 2019/2020 FY.

- In the extended period of the Project, the guidelines and tools for the training program on business plan were developed. They were used in the TOT on business plan and the model training programs on business plan. In the TOT, 2 TCs from KIBT were trained and they were confirmed to be qualified as the trainers on business plan.
- These indicate the ownership of KIBT, as well as the improved capacity of KIBT, to conduct new business service through its own initiative.

5. Proposals for Achieving Overall Goal

Overall Goal (To Achieve in 3-5 years after the End of the Project): Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.

[Indicator 1] Real sales value is increased by 10% per year.

- According to on-site consultancy impact assessment, the average ratio of sales increase in 21 pilot enterprises was 15.1%. If KIBT sustains on-site consultancy, KIBT would be able to support the increase of the sales value of beneficiaries (SMEs) by the set indicator. In order to sustain on-site consultancy, the necessary budget for conducting on-site consultancy should be provided by MoITC.
- In addition, KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, where some cost of consultancy will be covered by the enterprises. The JICA project team actually observed that KIBT had been discussing with about 6 county governments on cost sharing among the county government, beneficiaries and KIBT for provision business training and consultancy. The efforts for establishing the cost sharing system should be enhanced.

[Indicator 2] More than 100 SMEs are provided consultancy services.

- So as to achieve the indicator, KIBT and its collaborators, whose staff were trained as the Trainers, namely, NPCC, KNCCI, KIRDI and Internal Trade, are expected to provide on-site consultancy.
- Table 47 shows the numbers of the enterprises for which KIBT and the collaborators provided and plan to provide consultancy service, according to the interview and their work plan. They provided the service for more than 40 enterprises in 2018/2019 and they also have the plan to provide consultancy for the same number of the enterprises in 2019/2020. If it also stands in 2020/2021, the total will exceed 100 enterprises in the next 3 years.

Table 47: Result / Plan of Number of Enterprises which KIBT / Collaborators Provide Consultancy

Organizations	2018/2019 (Actual)	2019/2020 (Plan)
KIBT	4	10
NPCC	30 (including one public sector)	20
KIRDI	5	5
KNCCI	6	6
Total	45	41

- In order to sustain the consultancy, KIBT needs to continuously train the new staff and the staff in KIBT regional offices by the trained MTs and Trainers. As the result, the new staff will be able to complete entrepreneurship training and business training first (so that the MTs and the Trainers can focus on providing on-site consultancy), and eventually to provide on-site consultancy by themselves. In addition,

the necessary budget should be provided to KIBT by MoITC, in order that KIBT provides on-site consultancy, as well as training internal human resources.

- KIBT should also continue to provide training on the consultancy for the collaborators. In addition, to encourage them to conduct consultancy and monitor the results, KIBT should maintain the periodical networking meeting with its collaborators like the Coordinating Committee, which was held in the extended period of the Project. KIBT should be mandated to host the networking meetings among the public BDS providers for MSMEs as one of the activities by MoITC. The necessary budget for the activities above should be provided by the ministry.
- If the above are implemented, this indicator would be able to be achieved in 3-5 years.

6. Results of Inputs

6.1 Japanese Side

(1) Experts

Role	Name	Organization	Man / Month		
			Kenya	Japan	Total
Leader / Collaboration Promotion / General Business Skill	Takeshi Fujita (Mr.)	Japan Productivity Center	21.30	1.00	22.30
Production & Quality Management	Takao Hayashi (Mr.)	Rising Consultants	16.50	0.00	16.50
Marketing and Sales	Yoshihiro Aoumi (Mr.)	Japan Productivity Center	17.00	0.00	17.00
Financial Management	Yoshihiro Takeguchi (Mr.)	Japan Productivity Center	18.90	0.35	19.25
Public Relations	Shu Nakajima (Mr.)	Relo Panasonic Excel International	3.00	0.00	3.00
Coordinator/ Management of Training Component	Natsuko Ueno (Ms.)	Japan Productivity Center	2.13	0.00	2.13
Coordinator/ Management of Training Component	Masayasu Okuyama (Mr.)	Japan Productivity Center	4.00	0.50	4.50
Coordinator/ Management of Training Component	Hiroko Kodaka (Ms.)	Japan Productivity Center	1.90	0.00	1.90
Coordinator/ Management of Training Component	Tomoyuki Yamada (Mr.)	Japan Productivity Center	0.73	0.00	0.73
Coordinator/ Management of Training Component	Kaori Yuki (Ms.)	Japan Productivity Center	6.73	0.50	7.23
Total			92.19	2.35	94.54

(2) Equipment

Item	Quantity	Value
Projector	3	161,000 Yen
Laptop computer	5	834,000 Yen
Digital camcorder	3	87,000 Yen
Copy machine	1	1,328,000 Yen
Vehicle	1	USD 43,120

(3) Others

Other expenses necessary for the implementation of the Project were provided (such as transportation cost for pilot enterprises, organizing cost of classroom training, and printing cost for classroom training).

As it is previously mentioned, due to the budget constraint of KIBT, the meal allowance, which is paid to the staff when they are engaged in job duties outside KIBT or the headquarter of the ministry, was not paid to the MTCs in the 2nd year, when they joined the on-site consultancy the Project. The initial agreement of this Project stipulates that the cost of allowances would be borne by the Government of Kenya (KIBT).

Since it was said to be one of the demotivating factors of the MTCs, KIBT made a request to the JICA project team to consider providing the allowance for the MTCs on exceptional basis. After consultation with JICA HQ and JICA Kenya Office, it was decided to provide the allowance according to the limitation of the budget of the Project, when the MTCs conducted on-site consultancy in the 3rd year.

6.2 Kenyan Side

(1) Counterpart personnel

No	Name	Title	Role in the Project
1	Mr. Stephen Kirui ¹⁸	Director, KIBT	Project Manager Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia Participant of Training Program in Japan
2	Ms. Catherine Waweru ¹⁹	Acting Director, KIBT	Project Manager Participant of AKAC 2018 in South Africa Participant of the Study Trip to Malaysia Participant of AKAC 2019 in Tunisia
3	Mr. Nelson Gaitho ²⁰	Senior Principal Lecturer, KIBT	Project Coordinator Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia
4	Mr. Patrick Nyakundi	Senior Principal Lecturer, KIBT	Project Coordinator Trainer (Trained in the 2 nd year) Participant of AKAC 2018 in South Africa Trainer on Business Skills and Management Skills (trained in the 3 rd year) Participant of the Study Trip to Malaysia
5	Ms. Carol Choge	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan Trainer on Business Plan (trained in the extended period)
6	Mr. Gideon Njogu	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan Trainer on Business Plan (trained in the extended period) Participant of AKAC 2019 in Tunisia
7	Mr. Musa Okwemba ²¹	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
8	Ms. Sylvia Kaburu ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
9	Mr. Jonathan Njogu	Senior Principal Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
10	Ms. Pamella Onyango ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
11	Mr. David Owitti ²²	Lecturer, KIBT	Master Trainer Candidate (MTC) Participant of Training Program in Japan
12	Mr. Job Ogoah ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
13	Mr. Daniel Wechesa ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
14	Mr. Samuel Mulei ²³	Principal Lecturer, KIBT	Master Trainer Candidate (MTC) Participant of Training Program in Japan Participant of AKAC 2018 in South Africa

¹⁸ Mr. Stephen Kirui retired from the government employment in January 2018.

¹⁹ Ms. Catherine Waweru joined KIBT in September 2017.

²⁰ Mr. Nelson Gaitho left KIBT and joined NPCC in March 2017.

²¹ 10 KIBT Lecturers (5 MTs: Mr. Musa Okwemba, Ms. Sylvia Kaburu, Ms. Pamella Onyango, Mr. Job Ogoah and Mr. Daniel Wechesa, 5 Trainers in 2nd year: Mr. John Koross, Mr. Solomon Kiawa, Ms. Roseline Mumbo, Mr. Amos Mulinge and Mr. Reuben Ngeno) were transferred to other department in MoITC in the beginning of July 2018.

²² Mr. David Owitti was transferred from KIBT Nairobi Office to KIBT Kisumu Regional Office in the end of October 2017.

²³ Mr. Samuel Mulei left KIBT and joined NPCC in March 2017.

15	Mr. John Munguti	Director, NPCC	Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia
16	Dr. Chris Kiptoo	Principal Secretary, State Department of Trade, MOITC	Project Director Participant of Training Program in Japan
17	Mr. John Koross ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year) Trainer on Business Skills and Management Skills (trained in the 3 rd year)
18	Mr. Solomon Kiawa ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
19	Ms. Grace Fikirini	Graphic Designer, KIBT	Trainer (trained in the 2 nd year)
20	Ms. Roseline Mumbo ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year) Trainer on Business Skills and Management Skills (trained in the 3 rd year)
21	Mr. Amos Mulinge ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
22	Mr. Ben Getange	Lecturer, KIBT	Trainer (trained in the 2 nd year) Master Trainer Candidate (MTC)
23	Mr. Patrick Mwaura	Lecturer, KIBT	Trainer (trained in the 2 nd year)
24	Mr. Reuben Ngeno ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
25	Hon. Bahari Ali,	Chief Administrative Secretary, MOLSP	Participant of AKAC 2018 in South Africa
26	Mr. Timothy Jessop	Advisor, Megh Cushion Industries LTD.	Participant of AKAC 2018 in South Africa
27	Ms. Agnes Mueni Sammy	Chief Human Resource Management Officer, KIRDI	Trainer (trained in the 3 rd year)
28	Ms. Emily Kagendo Mutegi	Productivity Officer, NPCC	Trainer (trained in the 3 rd year) Participant of AKAC 2019 in Tunisia
29	Ms. Wilbroda Namunapa Okaka	Productivity Officer, NPCC	Trainer (trained in the 3 rd year)
30	Mr. Alex Kachumo Tomereng	Principal, Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)
31	Ms. Mabel Ambiyi Omurambi	Corporate Communications Officer, KNCCI	Trainer (trained in the 3 rd year)
32	Mr. Lucas R. W. Mwago	Principal Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)
33	Mr. Stephen Osedo	Graduate Management Trainee, KNCCI	Trainer (trained in the 3 rd year)
34	Mr. Tobias Odongo Ogondi	Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)
35	Mr. Japheth Atito	Trade Development Officer, Internal Trade	Trainer (trained in the 3 rd year)
36	Ms. Nancy Muya	Director of Industry, State Department of Industry, MoITC	Participant of the Study Trip to Malaysia
37	Ms. Zahara Haji	P.A to the CS, MoLSP	Participant of the Study Trip to Malaysia
38	Mr. James Kitavi	County Executive Officer, Mombasa Office, KNCCI	Participant of the Study Trip to Malaysia
39	Mr. Stephen Kimani Kuria	Accountant and administrator, Toyota Kenya Foundation	Trainer on Business Plan (trained in the extended period)

40	Mr. Bosco Pius Olengiyaa	Productivity Officer II, NPCC	Trainer on Business Plan (trained in the extended period)
41	Ms. Emily Mwita Boke	Productivity Officer II, NPCC	Trainer on Business Plan (trained in the extended period)
42	Mr. Abdifatah Dakane	Membership Executive, KNCCI	Trainer on Business Plan (trained in the extended period)
43	Mr. George Oswald Ong'ondo	Trade Development Officer I, Internal Trade	Trainer on Business Plan (trained in the extended period)
44	Ms. Regina Irungu	Production Manager, Ultravetis East Africa Ltd.	Participant of AKAC 2019 in Tunisia

In addition, the staff including management of equipment, and secretariat jobs was also allocated by KIBT.

(2) Others

Suitable office space with necessary equipment and access to the internet were prepared.

APPENDIX

1. Project Design Matrix (PDM).....	A-1
2. Overall work flow.....	A-5
3. Staff plan.....	A-7
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[Appendix 1] Project Design Matrix (PDM) - For Evaluation

Version: 1
Date: 10th July, 2019

Project Title: Project on Human Resource Development for Industrial Development

Implementation Agency: Kenya Institute of Business Training (KIBT)

Target Group: (Direct) KIBT staff members at professional level; (Indirect) Staff members at professional level at training institutions/ organizations that collaborate with KIBT, Enterprises that are receiving services from KIBT and/or its collaborators

Period of Project: Initially three (3) years from the date the first Japanese expert was dispatched (from 6th September 2015). The period was extended for one (1) year.

Project Site: Nairobi and surrounding areas

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions	Achievement	Remarks
Overall Goal Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.	1. Real sales value is increased by 10% per year. 2. More than 100 SMEs are provided consultancy services.	1. Result of surveys 2. Result of interviews	Business environment for private enterprises in Kenya does not deteriorate drastically.	The achievements will be assessed in 3-5 years after the completion of the Project.	
Project Purpose Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.	1. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%. 2. "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.	1. Project report(s) 2. Result of surveys 3. Result of interviews 4. Performance contract	Policy direction and strategies for industrial development do not face drastic change(s).	1. Satisfaction level of the pilot enterprises for the 3 years was 93.3%. 2. New consultancy services for SMEs were included in KIBT's annual plans between 2016/2017 and 2019/2020. In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts.	
Outputs 1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.	1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed. 1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project. 1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.	1-1 Annual work plan(s) 1-2 Project report(s) 1-3 Result of interview(s)	- Scale of natural and/or man-made disaster that occur is not larger than what Kenya experienced in the past. - KIBT lecturers who are trained under the Project remain in KIBT, if not in the Industrial Human Resource Development sector in Kenya.	1-1 New consultancy services for SMEs were included in KIBT's annual plan, with schedule, human resources and budget between 2016/2017 and 2019/2020. It was developed without the assistance from Japanese experts. The new business services for SMEs, KJ-PRIME, was developed. KIBT has been working on having MOUs with various organizations, such as county governments, universities, for the provision of the services. 1-2 MTs and Trainers have been revising training guidelines and tools, based on the results of on-site consultancy. They also	

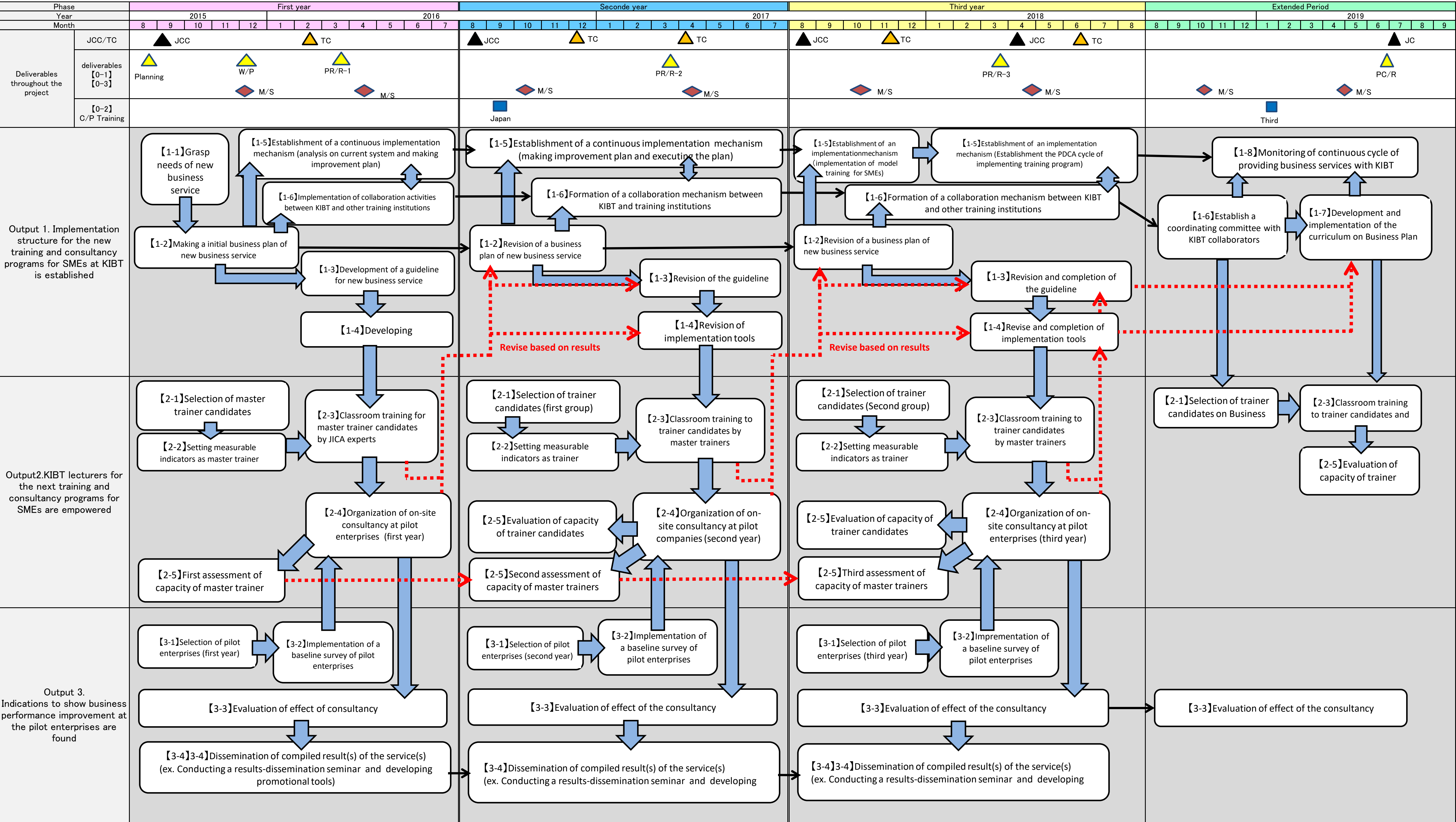
<p>2. KIBT lecturers for the new training and consultancy programs for SMEs are empowered.</p>	<p>2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers.</p> <p>2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.</p>	<p>2-1 Project report(s)</p> <p>2-2 Result of assessment of the candidate of master trainers and other KIBT lectures</p>	<p>conducted model training programs by utilizing them.</p> <p>1-3 60% (25/42) of candidate enterprises was introduced by collaborator in the 3 years. 33.3% of consultancy (7/21) was conducted by the joint team (KIBT and its collaborators) in the 3 years.</p> <p>2-1 10 MTCs passed the criteria at 1st assessment in the 1st Year. But 1 left KIBT in March 2017. 1 TC in the 2nd year has become an MTC and he was trained in the 3rd year. In November 2017, other 1 MT was transferred to a KIBT regional office and he could not continue to join the training program. However, he has utilized the skills obtained for supporting the SMEs in the region by providing training and consultancy in the region, since he moved.</p> <p>As the result, 8 MTs completed achievement indicators set in the final assessment in June 2018 and they received the certification as the MT.</p>	
<p>3. Indications to show business performance improvement at selected pilot enterprises are found.</p>	<p>3-1. 5S is practiced by all pilot enterprises.</p> <p>3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on the team. (the improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).</p> <p>3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.</p>	<p>3-1 Activity report(s) per pilot enterprise produced in the Project.</p> <p>3-2 Activity report(s) per pilot enterprise produced in the Project.</p> <p>3-3 Other PR materials (DVD, leaflet)</p>	<p>2-2. 9 TCs (KIBT lecturers) in the 2nd year passed the achievement indicators. 9 TCs (the staff of the collaborators) in the 3rd year also passed the achievement indicators.</p> <p>3-1. 5S was practiced in all of pilot enterprises for the 3 years.</p> <p>3-2. The improvement ratio of business process (including waste elimination) was 25.9% on average among 21 enterprises for the 3 years.</p> <p>3-3 Developed promotion materials (leaflets, banners) have been utilized in KIBT's own activities. Consultancy Guide was developed and distributed in KIBT activities. The best practice DVD was completed in June 2018 and it was shown in various activities of KIBT.</p>	

Activities	Input	Preconditions
<p>1.1 Conduct analytical work on needs of private enterprises based on the existing data and/or information collected before the project commencement.</p> <p>1.2 Prepare a business plan on how to improve KIBT service(s) based on the finding(s) of the analytical work in Activity 1.1.</p> <p>1.3 Develop a guideline (curricula and syllabus) for the new training and consultancy programs for SMEs based on the needs identified in Activity 1.1.</p> <p>1.4 Develop implementation tools such as textbook(s) and teaching manual(s) based on the guideline.</p> <p>1.5 Design an implementation mechanism such as 1) how to conduct needs assessment, 2) designing of training course, 3) implementation of service(s), 4) evaluation and 5) acquisition of new client(s) to conduct the new training and consultancy programs for SMEs.</p> <p>1.6 Form a collaboration mechanism at institutional level between KIBT and training institutions/ organizations to maximize quality and scope of business service(s) required by SMEs.</p> <p>2.1 Select at least three (3) lecturers per selected subject who are going to be trained as master trainers of the new training and consultancy programs.</p> <p>2.2 Set measureable indicators (achievement level(s)) for each KIBT lecturers who are selected as master trainers.</p> <p>2.3 Conduct the classroom training on the new training and consultancy programs to 1) candidates of master trainers by the Japanese experts and 2) other KIBT lectures by the master trainers.</p> <p>2.4 Organize on-site consultancy (based on the new training and consultancy programs) by the selected KIBT lecturers at selected enterprises .</p> <p>2.5 Establish a monitoring mechanism to check quality of services provided by KIBT and to provide feedback for continuous improvement.</p> <p>3.1 Select at least 6 pilot enterprises per year from the list of enterprises recommended by KIBT and/or its collaborators.</p> <p>3.2 Conduct a baseline survey to understand the current performance level(s) of the pilot enterprises in order to set measurable indicators to assess achievement level(s) throughout the project implementation.</p>	<p><u>Kenyan side</u></p> <ul style="list-style-type: none"> (a) Services of MEAAC&T's counterpart personnel and administrative personnel as referred to in II-6 of R/D; (b) Suitable office space with necessary equipment and access to internet; (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts, insurance and any other materials necessary for the implementation of the Project other than the equipment provided by JICA; (d) Means of transport and travel allowances for counterpart personnel for official travel within the Republic of Kenya; (e) Information as well as support in obtaining medical service; (f) Credentials or identification cards; (g) Available data (including maps and photographs) and information related to the Project; (h) Running expenses necessary for the implementation of the Project; (i) Expenses necessary for transportation within the Republic of Kenya of the equipment referred to in II-5 (1) of R/D as well as for the installation, operation and maintenance thereof; (j) Necessary facilities to the JICA experts for the remittance as well as utilization of the funds introduced into the Republic of Kenya from Japan in connection with the implementation of the Project; and (k) Allocation of necessary fund and other support for implementing the Project as a part of KIBT services in "Performance Contract between the Principal Secretary, State Department of Commerce and Tourism and Kenya Institute of Business Training". <p><u>Japanese side</u></p> <ul style="list-style-type: none"> (a) Dispatch of Experts Leader/ Collaboration Promotion/ Lecturer (General Business Skill) Public Relations Lecturer A (Production and Quality Management) Lecturer B (Management Strategy/ Marketing) Lecturer C (Financial Management) Project Coordination/ Assistance to management of training component Other necessary expert(s) (b) Training Subject: Practical approach to business management Method: Class room lecture, company visit Venue: Japan or third countries Participants: KIBT staff members at professional level 	<ul style="list-style-type: none"> - A sufficient budget is secured to at least maintain the KIBT's routine and planned activities. - Selection of KIBT lecturers as members of the Project is completed.

¹ The on-site consultation will be carried out in phases – first phase (Japanese expert as a main advisor and candidates of master trainers as trainees), second phase (candidates of master trainers as main advisors and Japanese expert as supervisor), and third phase (master trainers as the main advisors and KIBT lectures as trainees). A-3

<p>3.3 After completion of Activity 2.4, progress of achievement(s) is assessed in order to provide appropriate feedback based on the assessment result(s).</p> <p>3.4 Disseminate the compiled result(s) of the service(s) provided to the pilot enterprises.</p>	<p>Number of participants: Maximum nine (9) participants per training Number of training: Twice (2)</p> <p>(c) Machinery and Equipment Five (5) laptop computers Three (3) projectors One (1) multifunction printer (colour printer, FAX, photocopier) Three (3) digital camcorders One (1) vehicle (4WD)</p> <p>(d) Other expenses necessary for the implementation of the Project Part of the cost for organizing trainings and seminars in Kenya Printing cost of training material, allowance for MTs on on-site consultancy visit</p>	<p style="text-align: center;">Issues and Countermeasures</p> <p><u>Issue</u> (a) 14 lecturers (7 MTs and 7 TCs) applied to the promotion in the other departments of the State Department of Trade in March 2017. In June 2017, it was confirmed that 13 lecturers (6 MTs and 7 TCs) were promoted and transferred to the other departments. (b) Due to the uncertainty of political situation as well as unstable security status, with reference to the repeat presidential election in Kenya, some of the Project activities were needed to be delayed. (c) Necessary allowance (meal allowance) for MTs was not provided by the GoK, due to the budget limitation. It was said to be a factor demotivating the MTs for participating in the on-site consultancy.</p> <p><u>Countermeasure</u> (a) JICA Kenya Office proposed to the PS so that these lecturers would stay at least until the end of the Project, in order to complete necessary technical transfer. In the middle of September 2017, the letter from the PS that instructed the promoted lecturers to remain KIBT until the end of the Project period was issued and sent to the lecturers. They actually remained at KIBT until the end of June 2018 and completed technical transfer in the Project. In July 2018, 10 promoted lecturers (5 MTs and 5 Trainers) moved from KIBT. 2 Trainers moved back to KIBT in May 2019. (b) In consultation with JICA Kenya Office, JICA project team and KIBT agreed on the postpone of the 2nd result dissemination seminar to March 7, 2018. Some of the visits to pilot enterprises in October and November 2017 were postponed due to the security cautions in Nairobi. JICA experts and the MTs needed to implement on-site consultancy efficiently and intensively on the limited days. (c) JICA finally decided on exceptional basis to provide the allowance for the MTs, when the MTs conducted on-site consultancy in the 3rd year.</p>
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[Appendix 2] Overall Work Flow



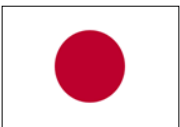
W/P: Work Plan PR/R:Progress Report PC/R:Project Completion Report M/S: Monitoring Sheet

	Assigned Field	Name	Organization	Rank	1st Year												2nd Year												Third Year																		Man-Month			
					2015					2016							2017							2018												2019														
					8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9								
					Total																																													
On-Site Work in Kenya	Leader / Collaboration Promotion / General Business Skil	Takeshi Fujita	Japan Productivity Center	2		41				50					15	37		49				68		43			64			71		41		43		26	49							639	21.30					
	Production & Quality Management	Takao Hayashi	Rising Consultants	3		33					70				78			48				55		40			61			82		28												495	16.50					
	Management Strategy /Marketing and Sales	Yoshihiro Aoumi	Japan Productivity Center	3		64				57					64		54				57		50			61			74		29													510	17.00					
	Financial Management	Yoshihiro Takeguchi	Japan Productivity Center	3		50				64					64		41				71		48			50			78		29			36			36							567	18.90					
	Public Relations	Shu Nakajima	Relo Panasonic Excel International	3											3							30					30																	90	3.00					
	Coordinator/ Management of Training Component	Natsuko Ueno	Japan Productivity Center	4		64																																						64	2.13					
	Coordinator/ Management of Training Component	Masayasu Okuyama	Japan Productivity Center	4							42					22	23		33																										120	4.00				
	Coordinator/ Management of Training Component	Hiroko Kodaka	Japan Productivity Center	4																		22		35																					57	1.90				
	Coordinator/ Management of Training Component	Tomoyuki Yamada	Japan Productivity Center	4																			22																							22	0.73			
	Coordinator/ Management of Training Component	Kaori Yuki	Japan Productivity Center	4																								24	17	8		16	25	11		16	16		43		1		36			20				202
																																															2,766	92.19		
On-Site Work in Japan	Leader / Collaboration Promotion / General Business Skill	Takeshi Fujita	Japan Productivity Center	2	2		2				2											2							2																		20	1.00		
	Financial Management	Yoshihiro Takeguchi	Japan Productivity Center	3																																											7	0.35		
	Coordinator/ Management of Training Component	Masayasu Okuyama	Japan Productivity Center	4																																											10	0.50		
	Coordinator/ Management of Training Component	Kaori Yuki	Japan Productivity Center	4																																											10	0.50		
																																															30	2.35		
Total																																																94.54		
	JCC/TC					△	▲				▲							▲			▲				▲			▲				▲		▲																
	Counterparts' Training				Kick off meeting													↔ In Japan								▲													↔ In a Third Country											
	Submission of Reports				Work plan							△										△																									△			
Legend			On-Site Work in Kenya				On-Site Work in Japan				Own Expense																																				Completion			

Revised 2018/09/26

What's KJ- PRIME?

*Kenya & Japan - **PR**ogram for
Innovation and **M**anagement
Excellence*



Kenya Institute of Business Training (KIBT), assisted
by Japan International Cooperation Agency (JICA)

What KJ-PRIME Can Do for Your Organization

Do the people look at the same direction in your
organization?

Are the people motivated in your organization?

Do the people behave themselves for achieving
customer satisfaction?



**If you want
to improve
them...**

KIBT will support the establishment of
excellent business process and the
vitalization of the people in your organization,
with the assistance from JICA.

What KJ-PRIME-TP(Training Program) can offer to you...

What You Want To Improve	Category of Training Program	Name of the Programs
<i>We want to establish business strategies....</i>	Management Skills and Business Skills Training Programs (A)	- Management Strategy & Planning (1)
<i>We want to enhance the teamwork and empower the employees....</i>		- Management Skills for Middle Managers (2) - Business Skills for New School Graduates (3)
<i>We want to improve the efficiency and productivity of the operations....</i>	Management Functional Training Programs (B)	- Production & Quality Management (1) - Marketing & Sales (2) - Financial Management (3)

Uniqueness of KJ-PRIME

- Practical by focusing on application capability
 - Focusing on 'what the participant will be able to do after the training' rather than 'simply obtain the knowledge'. Especially focusing on the capability of application
 - Many exercises and case studies based on actual business practices
- Japanese essence
 - Utilizing concepts & methods practices in excellent companies in Japan & other countries
 - Long-term view of management, customer satisfaction, KAIZEN, 5S, Built-In Quality, problem solving tools, investing people, Reporting-Contacting-Consulting (Ho/Ren/So), etc

Management Strategy & Planning (A-1)

[Objective]

Executives and managers obtain the knowledge and skills to form management strategy and make management plans.

[Duration] 3 days

[Target] Executives and middle managers

[Fee] KSH XXXX

[After the training program...]

- The participants become capable of finding key issues for company's recovery and growth.
- The participants become capable of setting management strategies to enhance company power to follow environments and market change.
- The participants become capable of maximizing of company capacities.

[Contents]

1. Structure of management strategy (vision and mission → Management objectives → Management strategy → Management plan)
2. Case study and exercise- Management strategy and management plan in SMEs
3. Analysis on external environment / internal resource analysis
4. Planning competitive strategy
5. Management plan – procedure and steps
6. Exercise and group discussion – Analysis on management strategy and plan of SME-A

Management Skills (A-2)

[Objective] Middle managers are aware of necessary roles as a manager and they will try to change their behavior. And they will become the leader who can initiate the team for achieving organizational objectives.

[Duration] 3 days

[Target] Middle managers of private companies/public organizations

[Fee] KSH XXXX

[After the training program...]

- The participants become capable of executing performance management, utilizing the methods, such as KPIs, PDCA, problem solving methods.
- The participants become capable of making proper job instruction and motivating subordinates with appropriate communication skills.
- The participants act following the necessary elements as a leader.

[Contents]

1. Roles of manager in business management
2. Management of business performance (KPI, PDCA and problem solving)
3. Training of subordinate (OJT and job instruction, communication skill including counseling mind, coaching, active listening)
4. Development of organizational capacity (Management of team communication, management of conflicts)
5. Leadership for management innovation (leadership theories and case study)

Business Skills for New School Graduates (A-3)

[Objective] Participants obtain necessary mindsets as a business personnel. And they become capable of appropriate business communication, including 'Reporting', 'Contacting' and 'Consulting'.

[Duration] 1 days

[Target] New school graduates

[Fee] KSH XXXX

[After the training program...]

- Participants understand the difference between school life and work life.
- They become aware of the importance of 'Customer', 'Quality', 'Punctuality', etc.
- They become capable of setting the priority of the jobs and proceeding them.
- They become capable of implement "Reporting", 'Contacting' and 'Consulting'.
- They understand Dos & Don'ts in business communication.

[Contents]

1. Structure of business organization- difference between school life & work life
2. 6 Aspects of awareness required for fulfilling the job
3. Priorities of the Job (with an exercise)
4. How to proceed the jobs- Plan, Do, Check and Act (PDCA)
5. Receiving job instructions- 5W2H
6. Reporting, Contacting and Consultation
7. Business communications- Dos & Don'ts

Production and Quality Management (B-1)

[Objective] The participants obtain practical skills for applying production and quality management methods to improve productivity and quality.

[Duration] 3 days

[Target] Managers / supervisors in charge of production and quality.

[Fee] KSH XXXX

[After the training program...]

- The participants become capable of leading 5S activity in the company.
- The participants become capable of establishing quality control system by applying visual control methods.
- The participants become able to apply Industrial Engineering (IE) methods for eliminating the wastes of processes and operations.
- The participants become capable of making production plan.

[Contents]

1. Structure of production management
2. How to implement 5S
3. Visual management
4. Eliminating waste by using IE method
5. Production plan and production control
6. Cost accounting and cost planning
7. How to implement quality control

Marketing and Sales (B-2)

[Objective] The participants obtain practical skills for conducting marketing and sales activities effectively and efficiently for maximizing company value.

[Duration] 3 days

[Target] Managers / supervisors in charge of marketing & sales.

[Fee] KSH XXXX

[After the training program...]

- The participants become capable of finding market demand and its change in time.
- The participants understand how customer satisfaction is derived and how to take customers captive in their companies.
- The participants become capable of setting up marketing and sales strategy and a way of execution of it.

[Contents]

1. Marketing theories and customer value creation
2. Marketing analysis – SWOT, segmentation, market research, 4P/7P+4C
3. Marketing strategy (sales strategy, price strategy, distribution strategy, etc)
4. Relationship with customers
5. Marketing management
6. Case study of marketing and sales strategies by business type (Consumer goods manufacturer, production goods manufacturer, service company)

Financial Management (B-3)

[Objective] The participants obtain practical skills for implementing financial analysis and establishing appropriate financial management system.

[Duration] 3 days

[Target] Managers / supervisors in charge of financial management.

[Fee] KSH XXXX

[After the training program...]

- The participants become capable of implementing financial analysis for finding the main issues in finance, and taking countermeasures for improvement.
- The participants becomes capable of conducting cost analysis and taking the countermeasure for reducing unnecessary cost.
- The participants become capable of making future business plan by applying financial management methods.

[Contents]

1. Financial statement (balance sheet, profit & loss statement, cash flow)
2. Financial analysis (long term trend, profitability, stability, productivity)
3. Earnings / cost structure (variable/fixed cost, break even points analysis, etc)
4. Management accounting
5. Cost accounting (product/process costing, standard costing, variance analysis)
6. Application of FM methods to business management
7. Exercise of financial analysis

Model Training of KJ-PRIME



Model Training for **Toyota Kenya** and Its Related Companies on **Marketing & Sales** (August 4, 2016 at Toyota Kenya Academy)

Model Training Program on **Management Skills** (October 9-11, 2017 at Kivi Milimani Hotel)



If you are interested in these programs, please get contact with

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[Appendix 5]

Summary of BDS Study

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
1	Strathmore University	25-Sep-18	Incubation	<ul style="list-style-type: none"> - Providing incubation facilities for ICT related companies - Creating business linkage 	<ul style="list-style-type: none"> - It has created more than 300 new business - Supported by major ICT related companies
2	Kenyatta University	25-Sep-18	Incubation Entrepreneur training	<ul style="list-style-type: none"> - Providing incubation facilities (Chandaria Business Innovation & Incubation Centre) - Mentership - Program for Innovation 	<ul style="list-style-type: none"> - The incubation facility is supported by Chandaria Group. So far 329 companies graduated. The university provides mentorship service and training opportunities. - 'Program for Innovation' provides the students the opportunity to analyze current issues in specific enterprises and think about the solutions for innovation. - Possibility of cooperation with KIBT on entrepreneur training
3	TVET Authority	1-Oct-18	Vocational training	<ul style="list-style-type: none"> - Vocational training for industries (including MSMEs) - Provision of entrepreneurship and management training 	<ul style="list-style-type: none"> - Under Ministry of Education. 174 training facilities around Kenya. - Focus on the enhancement of competency, including entrepreneurship, based on the needs of industries.
4	NITA Textile Training Institute	26-Sep-18	Vocational training	<ul style="list-style-type: none"> - Vocational training for textile and fashion industries (including MSMEs) 	<ul style="list-style-type: none"> - Under Ministry of Labour and Social Protection. One of the 7 training centres under NITA. - Provision of standard and tailor made training for industries - Possibility of cooperation with KIBT on entrepreneur training
5	NITA Athi River	2-Oct-18	Vocational training	<ul style="list-style-type: none"> - Vocational training on mechanical engineering, automotive engineering, electrical-electronics, etc. - Industrial attachment program 	<ul style="list-style-type: none"> - Under Ministry of Labour and Social Protection. One of the 7 training centres under NITA. - Close linkage with the enterprises in industrial areas (such as ETZ Athi River) - Focus on hand-on training

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
6	Kenya Industrial Estate (KIE) LTD	8-Oct-18	Incubation, financial service, business advisory service	<ul style="list-style-type: none"> - Incubations and industrial parks - Financial assistance service (loans) - Business advisory service (BAS: business training, counselling, etc) 	<ul style="list-style-type: none"> - BDS provider under Ministry of Industry, Trade and Cooperatives. . KIE provides BDS integratedly. - 10 regional offices and 27 branch offices - Request from KIE for improving BAS - Possibility of cooperation with KIBT on entrepreneur training
7	Jomo Kenyatta University of Agriculture and Technology (JKUAT)	9-Oct-18	Entrepreneurship	<ul style="list-style-type: none"> - Link the students with industries 	<ul style="list-style-type: none"> - Linkage by attachment - internship program - JKUAT Tech Expo (the opportunity that students introduce the results of their studies to industries, government officials, etc). - JKUAT constructed Nairobi Industrial and Technology Park, with the assistance of GOK.
8	Export Processing Zone (ETZ) Athi River	11-Oct-18	BAS, incubation	<ul style="list-style-type: none"> - Industrial park for exporting companies - Business advisory services - Incubation service (Export Business Accelerator Programme) 	<ul style="list-style-type: none"> - Export Processing Zone, where the enterprise which obtains more than 80% of their sales value from exporting business get the incentives to operate. - Provision of One Stop Services (counselling, introduction of investors, introduction of financial services) for the member - The incubation service aims at supporting potential enterprises which will be able to do export business.
9	AFRICINVEST and SFC Finance Limited	20-Nov-18	Financial service	<ul style="list-style-type: none"> - Provision of loan (USD-denominated) to small and medium enterprises 	<ul style="list-style-type: none"> - Africinvest does not operate investment activities for SMEs in Kenya, since the exit strategy is quite limited. - SFC Finance Ltd , the subsidiary company of Africinvest, does the provision of the loan. The target enterprise is the SME with rather larger scale (minimum loan amount is 1 million USD). - The interest rate is a bit lower than the banks, but the loan is provided in USD and also paid back in USD.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
10	IDB Capital Limited	26-Nov-18	Financial service	- Provision of loans to small and medium enterprises	<ul style="list-style-type: none"> - Public financial institution under Ministry of Industry, Trade and Cooperatives - It provides various loans to Limited Liability Companies. - In collaboration with the Government of Kenya and India, IDB provides the loan for the SMEs which import parts, machineries, equipment, etc, from India.
11	Post Bank	29-Nov-18	Financial service	- Provision of saving account for individuals and organizations	<ul style="list-style-type: none"> - Public financial institution under Treasury - Specialize in the provision of saving account. In order to increase the number of account holders, Post Bank works with various collaborators. - Possibility of cooperation with KIBT on the provision of business management training for saving account holders
12	Development Bank of Kenya (DBK)	30-Nov-18	Financial service	- Provision of loans to enterprises(mainly project loans)	<ul style="list-style-type: none"> - Public financial institution under Treasury. - It mainly provides loans for development projects (agri, manufacturing, construction, housing). In collaboration with China Development Bank, DBK provides loans for the owners who bought the houses in Greatwall Apartment Project in Machakos County.
13	Kakehashi Africa	12-Apr-19	NGO	Facilitating and supporting platforms and activities where Japanese and Africans can: <ul style="list-style-type: none"> -Exchange information. -Match their needs and resources. -Build relationships and trust. 	<ul style="list-style-type: none"> - Kakehashi Africa is a business network created by participants of the ABE Initiative. It has offices in East Africa, West Africa, South Africa, North Africa and Central Africa. About 1,000 members in Africa and 160 members are in Kenya. - The most difficult thing for starting own business is financing. - The second is that there is no knowledge or experience to advance the business.
14	EMBU COUNTY	15-Apr-19	County	- Formulation of policy to support MSMEs in the county and necessary coordination for the implementation of the programs.	<ul style="list-style-type: none"> - The 4 main groups who felt the need for training on entrepreneurial training are Boda Boda riders, miraa business, hawkers and Jua Kali operators. - The tourism sector is currently the target to be developed. - The best way forward is to start by training the Embu County Government Staffs who are involved in MSMEs support.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
15	NYERI COUNTY	15-Apr-19	County	<ul style="list-style-type: none"> - Formulation of policy to support MSMEs in the county and necessary coordination for the implementation of the programs. - Establishment of fund for MSMEs. 	<ul style="list-style-type: none"> -The county would be interested in entrepreneurship and business development training. - Coffee farmers and dairy cooperative need help with consultancy services to increase profitability.
16	NAKURU COUNTY	17-Apr-19	County	<ul style="list-style-type: none"> - Formulation of policy to support MSMEs in the county and necessary coordination for the implementation of the programs. - Establishment and management of the funds for SMEs. 	<ul style="list-style-type: none"> - Nakuru County is one of the areas which lots of manufacturing companies accumulates. They include agro-processing, metal-processing, textile, electric/electronics, construction materials. - The main areas of collaboration with KIBT would be entrepreneurial training (youth groups and women's groups) and on-site consultancy. The MOU draft would also be presented within 2 weeks.
17	KITI Headquarter	17-Apr-19	Vocational training	<ul style="list-style-type: none"> - Vocational training for industries (including MSMEs) under MoITC. - It has 60 lecturers and 34 staff. 	<ul style="list-style-type: none"> - It has 9 technical courses (automobile engineering, packaging, mechanical engineering, electrical/electronics, building/construction, leather, clothing/textile, food/beverage, ICT) and 1 business management course. - They normally have on average 800 to 850 students per semester. - Needs for modernizing the equipment and machineries.
18	iHub Kenya	23-Apr-19	Incubation	<ul style="list-style-type: none"> - One of the oldest incubation in Africa. - One-week boot camp after a 6-months' curriculum and training. - Mentors system 	<ul style="list-style-type: none"> - The most effective way is using accelerators. - iHub has over 17,000 people subscribed to their newsletter and over 3,700 people on their twitter handle. - The biggest challenge of iHub is the lack of financial sources for conducting business support services.
19	KEY Microfinance Bank	23-Apr-19	Microfinance institution	<ul style="list-style-type: none"> - Financial assistance service for micro and small enterprises -A credit proposal form that captures the details of the entrepreneur and business. 	<ul style="list-style-type: none"> - Rebranded from REMU to KEY microfinance in February 2019. - 4 branches, Nariobi, Kimathi, Meru and Mau. - Minimum 100,000 Ksh loans. Various loan schemes based on collateral and assets.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
20	GroFin Kenya	24-Apr-19	Financial Institution	<ul style="list-style-type: none"> - Private financial institution (non-bank). - Mainly provision of loan for SMEs (minimum 100,000 USD). 	<ul style="list-style-type: none"> - It operates in Africa and middle east countries. - The organization operates with 6 full time employees of these 3 are investment managers. - Since it focuses on supporting rather bigger SMEs, it provides business support both in pre-financing and post-financing.
21	Gearbox	26-Apr-19	Incubation	<ul style="list-style-type: none"> - Providing incubation services for mainly manufacturing MSMEs. It has mechanical and electrical machineries. 	<ul style="list-style-type: none"> - Established in 2014, supported by international NGOs. - Worked with KCB foundation and did training in Kariobangi, Kamukunji and Ngong Road for Jua Kali artisans. - KCB is more willing to offer them loans, once the artisans are trained. - It operates a training academy.
22	SMEP Microfinance Bank	29-Apr-19	Microfinance Institution	<ul style="list-style-type: none"> - Start from church banking. Now has 18 branch offices and 270 staff. - Provision of loans mainly for groups (10,000 - 300,000 KES) 	<ul style="list-style-type: none"> - They have 15,700 shareholders, NCCK which is a church organization owns 71% of SMEP. - Less than 5% staff have financial capacity to assess business when they are borrowing. <p>Group/community banking. This is for self-help groups and majority are women.</p>
23	Kenya Women Microfinance Bank(KWFT Bank)	29-Apr-19	Microfinance Institution	<ul style="list-style-type: none"> - One of the biggest MFIs in Kenya. 245 branch offices in 45 counties. - It provides loan for 30,000 members. - 800,000 clients, mostly women. 80% of their customers live in the rural areas. 	<ul style="list-style-type: none"> - Before giving loans they train for 8 weeks on financial literacy, co-guaranteeing, and book keeping. - Special facilities such as water and sanitation. - Provision of an energy saving cooker and a small range of solar products.
24	Nairobi Garage	2-May-19	Incubation	<ul style="list-style-type: none"> - Provision of incubation services in 3 sites (Ngong Road, Westland and Karen) in Nairobi. - They include provision of co-working space, introduction of investors, PR/ market development support, and training. 	<ul style="list-style-type: none"> - Most users are in the field of ICT, FinTech, Service and E-Commerce. -The need for training is high in 'Legal Service', 'Accounting', 'Leadership / Coaching', etc. -The current management issue is the retention of users.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
25	growthafrica	3-May-19	Incubation	- The main activity is providing an acceleration program for start-up companies. It has been implemented 14 times in Kenya so far.	- Established in 2000. It developed businesses in Kenya, Uganda, Uganda, Ethiopia, Zambia, Malawi etc. - Its acceleration program is a 30-month program and designed by growthafrica's staff (growth catalyst) to meet the needs of the enterprise. The program has been financially supported by various NGOs and donor agencies.
26	CAP Youth Empowerment Institute(CAPYEI)	3-May-19	NGO	-Basic Employability Skills Training(BEST) for supporting the graduates or dropout students from secondary school. - It aims at giving them vocational skills for employment.	- There are 45 training facilities in Kenya. They have trained 47,440 people. 77% of them got a job. 8% start their business. - The challenge for CAPYEI is how to increase the opportunities for students to find a job or start a business. Also, no follow-up after graduation. - Currently financial access of the students is quite limited.
27	U&I Microfinance Bank	6-May-19	Microfinance Institution	- Provision of loans to small, medium enterprises and a few big businesses. - It focuses on MSMEs which locate in River Road (Jua Kali Sector).	- It operates in 5 offices. - The process of their loans is very fast i.e. 4 days up to 2 weeks. - Asset financing is the loan facility with the highest uptake. - It provides business advice services for MSMEs by the staff (mentors).
28	Kenya Bankers Association(KBA)	8-May-19	Association for financial sector	- Industrial association which represents banking institutions. - BDS services for banks and enterprises, mainly formalization, market awareness, and access to capital.	- It also provides training programs for bankers and enterprises through face to face and on an online platform. - There is high reliance on MPESA and there is not yet a system to evaluate business based on these transactions. - In terms of a discussion on the interest rate cap. KBA stands for the removal of it.
29	DFID Kanya	14-May-19	Donor agency	- The UK's government arm for administering overseas aid. - Started a new project to support SMEs in Kenya, called 'The Kenya Catalytic Job Fund (KCJF)'.	- KCJF is the project to provide grant of 5 Million GBP for selected SMEs in Kenya for 4 years. The SMEs are selected based on business plan pitching. - DFID mainly has 3 areas of support 1) agri-business and manufacturing, 2) informal sector, and 3) marginalized groups such as women, people with disability and people from arid areas such as Northern Kenya.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
30	County Industrial Support, State Department of Industry	6-Jun-19	Government department	- Coordination with county government and support of the county Industry.	- Kenyan banks are reluctant to support start-up companies. It is difficult to get a loan from the bank without any achievement. - KIRDI is an incubation center under MoICT. There are KIE and IDB Capital, which are mandated for providing financial assistance to MSMEs, under MoITC. - CISD mentioned that CISD could be the coordinating organization if the project on BDS for MSES was implemented in Kenya.
31	The Micro and Small Enterprises Authority (MSEA)	7-Jun-19	Government organization	- Formulation of policies and programs for micro & small enterprises. - Coordination of public and private sectors. - Allocation of County Enterprise Development Officer in 22 Counties.	- MSEA planned the installation of "Credit Guarantee Scheme for MSE". Currently discussing with Treasury. - The establishment of "the MSE Business Solution Center", which will provide one-stop service for MSE, is under consideration. - Introducing "Local Purchase Order (LPO)". - Infrastructure development for SMEs(Incubation facility).
32	Kenya Association of Manufacturer(KAM)	7-Jun-19	Organisation	- KAM was established in 1959 as a representative organisation for manufacturing industry. - Business development support (matching, providing information, consultation services and training programs, etc) to the members.	- The members are approximately 800 different companies and organizations - It has bases in 7 locations in Kenya and has 80 staff in total. - KAM has the MOUs with various financial institutions to support the member enterprises of KAM. But the access to finance is still limited. - KAM holds the KAIZEN Forum every year, in collaboration with KAIZEN Institute.
33	Joint meeting among County Industrial Support Directorate (CISD) of Mombasa, KIBT and Equity Bank Mombasa Branch	12-Jun-19	Government departments / private sector	- CIDO coordinates organizations under the MoICT and plays a role of One Stop Service for MSME. - KIBT provides Productivity Training. - Equity Group Foundation provides training programs in cooperation with KIBT.	- The difficulty of accessing finance is always a problem for CIDO. - Equity Group Foundation provides training programs, "Financial Literacy" and "E-learning Program". They have been very successful. - KIBT Coast Office covers 6 counties nearby. If the project on BDS for MSES was implemented in Mombasa, KIBT mentioned that it could cover other counties through the network of KIBT.

No	Name of Organization	Date of Study	Type	Main Services	Characteristics
34	Equity Bank (Equity Group Foundation)	20-Jun-19	Bank	<p>-Responsible for CSR activities within the Equity Group.</p> <p>"The main activities include providing the scholarships, support for entrepreneur and micro enterprises development and financing through “Risk Sharing Fund”.</p>	<p>- Equity Group Foundation was established in 2012.</p> <p>- It has 300 employees in Kenya and 50 employees at Nairobi headquarters.</p> <p>- It has 150 trainers and all of them are qualified as instructors of 'ILO's Start and Improve Your Business (SIYB) Training Programme'.</p> <p>- There is a current trend of loan lending, called as Cash Flow Based Lending, instead of Collateral Based Lending. The capacity of bankers needs to be enhanced its application.</p>
35	Economic Projects Transformation Facility(EPTF)	2-Jul-19	NGO	<p>- Promoting the employment of poor people (who live in slums, job seekers after graduation), women, MSMEs in the region.</p> <p>- Provision of training programs and mentorship.</p>	<p>- EPTF was established in 2004 as an economic support organization for the private sector by Navigators Kenya.</p> <p>- As BDS services, 'Market & Linkage', 'Financial Support' and 'Exposal Visits' are provided.</p> <p>- EPTF has a database of 98 instructors.</p>

[Appendix 6] Activities in each pilot enterprises in the 3 years

1. 1st Year

(1) Centrofood Industries

[Production and quality management field]

Centrofood is a food maker mainly producing tomato ketchup and fruits juice. The major objective of the consultation was to introduce and establish 5S while enhancing hygiene control. 5S audits were conducted in four rounds and a 5S/improvement seminar was offered during the period. Through these activities, the staff's increased awareness enabled the company to achieve an improvement rate of 82 percent in the end. To help the workers visualise their goals, pictures of food factories in Japan were used.

Even before the project started, the president of the company gave onsite instructions to the workers, but 5S activities did not take root. The factory manager and section members attended almost all the sessions and learned how to promote 5S throughout the entire organization.

Meanwhile, achieving desirable hygiene control for a food factory proved harder than expected, because the airtight was difficult in the current facility. The company will be required to tighten the production processes and install hygiene management tools when the factory moves to a new location.

[Marketing and sales field]

KIBT-JICA team and the president of the company agreed to focus their efforts on three areas: (a) reduction and stabilisation of procurement costs, (b) establishment of a structure for developing new products; and (c) promotion of 5S. The team interviewed the company's major clients and suppliers and conducted market research on the maker's KEN Brand ketchup (sampling and evaluation against competitors' products). They also interviewed the suppliers, the brokers as well as supermarkets, who are the company's mainstay clients.

After discussions with the suppliers about stabilising procurement costs, the team confirmed that risks could be shared by signing long-term contracts. Also, based on the hearings from farmers, the team drew up a proposal of improvement measures, including plantation contracts and capital participation. In the hearings from procurement managers of supermarkets, the team learned that the company's products had a good reputation among their customers. The supermarkets expressed their intention to consider the company's proposal of new products.

As for the structure for developing new products, the team compiled a proposal on developing products in different categories through discussions with the company.

[Financial management]

The financial analysis report was highly appreciated by the management, especially because such an analysis had not been done before. The company's sales have grown steadily over the past six years, maintaining the

break-even point ratio, profit rates, and financial stability at high levels. Considering these circumstances, three themes were chosen for the consultation: (a) implementation of 5S in the administration and finance departments, (b) enhancement of the internal control environment of the finance department, and (c) creation of financial analysis data and standardization of reporting to the management.

A major improvement was recognized in (a) implementation of 5S, a result of the 5S education given to all members of the administration and finance departments. Progress was monitored after the implementation of 5S and instructions were given as needed. Regarding (b), the JICA-KIBT team provided a financial analysis tool and instructions on its use. The company later introduced the tool and began full-scale operation. Before this instruction, the company had not conducted any financial analyses, although data were processed for financial settlements. By analysing data the company was able to obtain an accurate picture of its financial status as well as identify issues. Since the awareness of the finance staff has also changed, reporting to the management has become smoother, contributing to the achievement of (c).

Among the future tasks are (a) creation of a business plan and budget for the medium term and more detailed financial analysis of the budget and performance, (b) introduction of the software suited for calculating the manufacturing cost, and (c) continued practice of 5S. The proposal was submitted to the company.

(2) Megh Cushion Industries

[Production and quality management field]

Megh Cushion manufactures seats and metal parts for vehicles and motorcycles. Its main customers include General Motors East Africa (OEM of ISUZU buses and trucks), HONDA KENYA (motorcycles), and automobile repair factories. 5S audits were conducted for the stitching process, the fitting process, the engineering section, and the welding process. To develop 5S champions (leaders in charge of promoting 5S), the supervisor of each process and administration staff were asked to attend the sessions. In the fitting section, the operation rate was calculated by work sampling to check the results of the 5S activities and an improvement plan was created based on the results. KIBT-JICA team also held 5S/improvement seminars for the staff and supervisors of the headquarters to raise their awareness.

Compared with the status in September 2015, the factory's working environment has changed remarkably, and productivity has also improved, particularly in the stitching and fitting processes, largely because the factory manager was motivated by the consultation and assigned a 5S champion to lead the KAIZEN activities.

Thanks to the strong leadership of the factory manager and other members of the management team, the company implemented the proposals suggested in a short period of time. When the leaders were occupied with their duties, however, the activities tended to slow down or even regress. As future tasks the company is expected to build upon its ability to promote 5S and KAIZEN activities across the entire organization by installing 5S champions in all sections or holding meetings to share information.

[Marketing and sales field]

Management interviews and SWOT analysis highlighted the need for market research to understand the business trends with ‘matatu’ (private bus service) and also public bus services. The company’s sales had dropped considerably over the past two years, but no detailed investigation had been made. The consulting team conducted a customer-based analysis of the company’s sales performance to identify the customers with sharply reduced orders and visited them for interviews.

While discussing the survey results with the company, it became clear that it had made little effort to gather market information or communicate with customers because of its virtual monopoly over the market. They agreed to establish a scheme to collect up-to-date market information regularly and to introduce a client-management system to improve customer relations. The team also suggested that the company set up a system to compile market data as well as report regularly to the headquarters and hold monthly breakfast meetings to exchange information with customers. The company appreciated these practical ideas based on their actual situation.

[Financial management]

The company’s financial status was unstable and the method of financial management required improvement. The team analyzed the company’s financial condition of the past five years and submitted a report, which was valued by the company, since no such analysis had been done in the past. The team discussed with the management and decided to provide consultation on (a) 5S in the indirect departments, (b) introduction of quarterly financial settlements, and (c) introduction of monthly financial settlements.

Major progress was made in (a) because the financial officer received 5S guidance from the JICA-KIBT team and led the project himself. Since the management had not been checking the financial data more than once a year, the team advised the company to review the data pertaining to its financial status at least once each quarterly period. The JICA-KIBT team explained to the finance staff how to use the financial analysis tool and supported its introduction. In the end, the finance staff has been able to use the tool on its own. As a secondary effect, the financial officer also learned how to extract and analyze data. As the advanced activity of (b), (c) has also been achieved with the company now conducting a monthly financial analysis.

As future tasks, the company is expected to create a budget and conduct variance analysis of its actual performance, examine the results of the financial analysis more carefully, and draw up and execute improvement plans. For example, it would be effective to analyze the increase in fixed costs and take specific measures to reduce them. Making 5S efforts continuously is also an important item. These ideas were proposed to the company and have been approved by the management.

(3) Auto Ancillaries

[Production and quality management field]

Auto Ancillaries produces leaf springs for large vehicles. Its main customers include General Motors East Africa (OEM of ISUZU buses and trucks) and car repair factories. The U-bolt process and the leaf spring assembling process were chosen as the targets of the 5S audits. The U-bolt process achieved an 80-percent evaluation in the final audit. While monitoring the progress made in the U-bolt process, 5S activities were started in the leaf spring assembling process. Also, in order to improve the quality of the U-bolt process, a seminar on creating a quality control chart was held for 15 supervisors and section chiefs.

At first, progress was sluggish, met by a sense of hesitation from GM to the improvement activities, but the project got on track as it gradually gained understanding.

[Marketing and sales field]

To consider future directions of the company's core business as an OEM and also the sales potential in open markets, the JICA-KIBT team and the company agreed to interview its main customers. They examined the sales trends with their main customers by ABC analysis and conducted a hearing. Among the findings was the increasing competitiveness of low-cost Chinese products in the used car market, especially the items in large circulation. Meanwhile, it was not uncommon for users to pay higher prices for high-quality, durable products. Moreover, shops targeting such customers were not losing out to Chinese competitors. Since the company, dealing more than 10,000 items, had not managed the sales data on their customers or products, the information gathered through the survey was considered valuable.

Based on the survey results, the team advised the company to adhere to its OEM business and policy to prioritize quality. The proposal also included a CRM strategy to boost its relationship with customers who value the company's quality-oriented policy, further enhancement of its quality assurance policy as well as the strategy to temporarily suspend sales to dealers who primarily handle high-demand and low priced products.

[Financial management]

At first, the finance manager assigned to this project was not enthusiastic about the activities, making it difficult to proceed as planned. The situation improved later as KIBT-JICA team analyzed past financial data and explained the results to him. The team's use of a method new to the company impressed the finance manager and gained his cooperation; it was also discovered that he had management concerns about the low, unstable profit rate. Based on discussions with the owner and financial managers, they decided to focus the consultancy on four themes: (a) implementing 5S in the financial department; (b) improving the break-even point ratio (target: 3%); (c) creating monthly reports on financial indicators, including the break-even point ratio; and (d) creating financial reports as preparation for monthly financial settlements.

First, (a) was started by providing a seminar on the introduction of 5S to all members of the financial department to help them understand the importance of the activities. The team also took pictures during their visit to check on the progress. With these efforts, the results of the 5S audits improved. As for (b), the team introduced a financial analysis tool and created a system aimed at better financial management. But achievement of the 3-percent target rate remains a work in progress. Regarding (c) and (d), the company is already able to calculate financial data, including the break-even point ratio. The finance manager has also improved the analysis tool originally provided by the JICA-KIBT team by having the data in the finance system automatically synced with the analysis tool via the Excel spreadsheet. It was explained that he was reporting on the company's financial status during the monthly management meetings that included the manufacturing department.

Among the future tasks are (a) creation of mid-term and annual budgets and analysis of the results, (b) further improvements in financial analysis, and (c) continuation of 5S activities. The team explained the proposal in the final report meeting, discussed it with the owner and had it approved.

(4) Match Electrical

[Production and quality management field]

Match Electrical manufactures street lights and their related equipment, mainly for central and regional governments. It adopts a high-variety, low-volume production system. 5S audits were conducted in five rounds to penetrate and establish 5S activities in the company. As the result of the 5S activities, its achievement rate rose by more than 20 percent to the 75-percent level. The team conducted work sampling and a time study on production of the star-shaped metal frame, and discussed with supervisors and workers how to set timeline targets and how to reflect the observation results in actual operations. With these efforts, the productivity also improved by about 10 percent. The consultancy activities temporarily stalled due to the replacement of workers, but momentum was later regained.

Since worker turnover was high at this company, education on 5S and the safety policy at the time of employment was crucial. Even though the factory handles heavy steel structures, there was no ceiling crane to move work in progress. It was also difficult to change the layout according to the manufacturing flow. The team discussed the installation of a ceiling crane in the final proposal. Use of multi-skilled workers capable of covering various processes is a prime consideration.

[Marketing and sales field]

With the company's main customers being central and regional governments, potential cash management risks involving material procurement were a major issue. Therefore, the consulting team decided to improve the company's business management structure with specific measures, such as the introduction of business-unit-based budget control. Also, since the company supplies products for public projects, promotion of social

contribution activities to advertise its clean image was chosen as a consultation theme, thereby introducing the concept of social marketing to the company.

To achieve the first objective, the team provided the company with a practical format for the introduction of a budget control system. With the consent of the owner, the team asked the workers to provide numerical targets and activity plans, but the required data were not collected. As the need for educating section leaders became clear, the MTC offered training about the concept of budget control. Through these efforts, operation of the budget control system started shortly before the end of the project.

In the meantime, social contribution was pursued through circle activities. The team asked the workers to provide ideas about what they could do continuously, in addition to the activities they were already engaged in. Their ideas were screened based on their relationship with the company's core business and social impact, before compiling the final implementation plan. We are planning to check the level of accomplishment during the impact survey in six months' time.

[Financial management]

After discussion with an accountant and the supervisor of the financial department, KIBT-JICA team decided to focus on (a) 5S in the indirect departments, (b) introduction of project costing, (c) improvement in the exchange control method, and (d) introduction of corporate governance.

First, the team provided 5S training to the indirect departments to raise staff awareness about the importance of 5S. Also by providing instructions regularly throughout the project period, the level of 5S increased. As for (b) project costing, since most of the public projects that the company is involved in extend for a period of over six months or one year, it was crucial to manage product costs carefully. In reality, however, cost calculation or profit forecasts were not conducted properly due to insufficient communication between the manufacturing and finance departments. The JICA-KIBT team advised the two departments to hold meetings regularly to exchange information. The finance team also took the initiative in establishing a scheme to promote constant awareness of the costs. As for (c), the company was feeling the need for exchange control, but no specific measure had been taken. The JICA-KIBT team gave instruction on exchange control methods and made a proposal based on the company's actual situation. With regards to (d), the team explained the structure of general corporate governance and advised on how the company should tackle this matter.

Future tasks are to remain heavily focused on the four themes and education of the finance staff and other employees to achieve the objectives. Since the introduction of a new finance system has already started, providing the employees with financial knowledge is required. In the final report meeting, which was attended by the president, the team made a report that included these proposals.

(5) Kikoy Mall

[Production and quality management field]

Kikoy Mall produces Kikoy (Swahili for wrap), Kenya's traditional hand-woven fabric. While implementing 5S audits, KIBT-JICA team conducted a time study on bottleneck processes, and discussed and implemented improvement measures. The team also held a 5S/improvement seminar for all workers, for which operations were completely shut down for three hours. Since the entire factory staff attended the seminar, the need for 5S and improvement activities was clearly understood. Their awareness of the activities was raised.

The factory manager was enthusiastic about the KAIZEN activities and implemented a number of measures. First, the company installed shelves for work-in-progress inventory and raw materials to shorten the time for taking them out, and introduced wagons between workers to minimize unnecessary moves. It also designated places to store threads and changing the order of the processes. As the results of these activities, the factory's productivity improved.

The project period saw a change in the company's main product from Kikoy towels to pajamas, as well as the increase in the number of manufacturing workers from 38 to 100. It was because the company managed to have a major contract from Egyptian company to produce pajamas and increased the necessary number of operators. But the 5S/improvement know-how within the new structure was not followed adequately. The company is expected to implement measures to enhance productivity while maintaining stable business operations.

[Marketing and sales field]

The company, located in the Export Processing Zone (EPZ), exports all of its products to mainly European countries. Based on the results of the business management analysis and market research, the consulting team decided to explore the possibility of new product development. The team analysed specific overseas markets, studied their needs and the possibility of commercial activities in such markets. At the request of the company, the team studied the Japanese and Australian markets and submitted the results to the company.

The team also proposed that the company consider increasing its exports to countries nearer to Kenya, instead of focusing only on industrialized markets, and also instructed on the basic process of market research to enable the company to conduct its own research on its neighboring countries.

[Financial management]

The company's financial management had been outsourced to an accounting office, which handled the monthly and annual financial settlements; the president would check the financial data only once a year. The JICA-KIBT team examined the data of the past three years and discovered that the company's financial status was being affected by a high variable cost ratio. The team discussed with the president and decided to tackle four areas: (a) 5S in the president's office and indirect departments, (b) reduction in the variable cost ratio, (c) monthly

analysis of the break-even point, and (d) creation of financial analysis reports and use of the data in the decision-making of business management.

At first, the office of the indirect departments was extremely cluttered, but as the workers made efforts to accomplish (a), the office became better organized and the space began to be used more effectively. This was achieved also due to the training by the MTCs, which helped the workers of the indirect departments recognize the usefulness of 5S activities. Regarding (b) reduction in the variable cost ratio, the team provided instruction on the variable cost items and other important points that required careful attention. Currently, efforts are being made to lower the ratio. As for (c) monthly analysis of the break-even point, the company has established a system to regularly monitor the status and it is already in operation. The company also hired finance staffs as part of the effort to achieve (d) creation of financial analysis reports. Financial settlements and analysis, which used to be entrusted to an external party, are now being done by in-house resources. The company is also creating monthly reports using the financial analysis tool provided by the JICA-KIBT team.

2. 2nd Year

(1) Ultravetis East Africa Ltd. (on-site consultancy on all the three fields)

[Production and quality management field]

Ultravetis manufactures and distributes pesticides and animal feed and has about 80 employees. The company imports raw materials from other countries, and the main operations involve mixing, repacking, and packaging. The production process is simple where the head office factory repacks and packages pesticides, and the second factory near the head office factory mixes, repacks and packages animal feed. The company handles chemical products that are hazardous to human health, so the level of operation control is relatively high. It also implements the Good Manufacturing Practice (GMP). However, it had not carried out 5S or KAIZEN before the start of our consultation. So, KIBT-JICA team determined the following three consultation themes: a) improving the 5S audit assessment levels (in both the head office and new factories), b) working on 5S and KAIZEN systematically, and c) raising the productivity of the packaging lines (the pesticide and animal feed repacking processes).

The company has been working on systematic activities under the leadership of the production manager since the implementation of GMP. Therefore, the introduction of 5S was very smooth and the 5S audit score was 95 points, up from 66 points before the consultation. The company was actively involved in 5S and formed a KAIZEN team that was comprised of the production manager and staff and the supervisors of the head office and new factories. It was difficult to improve the productivity of the packaging lines during the project period due to relocation to the new factory and equipment updates. However, in the final phase of the consultation project, the team made some proposals to the company, including the reduction of the setup time, the improvement of the production plan, the acceleration of the packing operation and the improvement of operation processes, and the company examined the implementation of these proposals. Specifically, KIBT-JICA team provided documents that explained case examples and methods for the reduction of the setup time, and skill

map examples for the improvement of work efficiency and the development of multi-skills of operators, thereby encouraging the company to make voluntary efforts.

[Marketing and sales field]

Ultravetis conducts area marketing and product-by-product marketing. KIBT-JICA team have confirmed that the company is operating at an overwhelmingly higher level than average Kenyan companies. On the other hand, as for animal supplement products that are imported and in-house manufactured, low-margin imported products account for 75% of the total sales, 50% of which are purchased. Accordingly, the profit growth is sluggish. The livestock industry is growing in Kenya as the government strengthens its support for the industry. But major manufacturers, from which Ultravetis imports products, have tended to participate directly in the Kenyan market, thus intensifying competition. The company hires college graduates with science majors as sales representatives who need to know product expertise, but they often lack sales skills and the turnover rate of the sales staff is high. With these factors in mind, KIBT-JICA team and the company determined the following consultation themes: a) making the action plan to improve the business considering the regional characteristics; b) setting up the action plan to enhance sales efficiency; and c) implementing 5S in the sales office.

As for a) and b), KIBT-JICA team conducted a questionnaire survey for each region's staff in order to check the regional market situation and the skills and motivation of the staff. The results revealed that inventories and high demand for better treatment were major problems. First, our deep analysis of the inventory problem found that stock-out was a major complaint in the sales sites. The team analyzed the monthly stock-out statistics for the previous year and the causes of the stock-out that significantly affected sales, and categorized them into the stock-out caused by external factors that are difficult to be addressed for a short time (e.g. higher demand for products than expected due to a prolonged rainy season, delays in deliveries from suppliers due to shortages of raw materials, and delays in import permissions at the customs) and the stock-out caused by internal factors that can be addressed immediately. KIBT-JICA team proposed the following short-term and medium-term measures, respectively, against the stock-out caused by internal factors: improving communication between the sales staff and customers and between the sales staff and the production and logistics divisions, thereby minimizing stock-out; and accelerating the plan of shifting imported products to in-house manufactured products.

Demand for better treatment varies depending on the region and is mainly caused by the dissatisfaction of the region management leaders over the management. It is important to motivate the sales force in order to increase business efficiency and maximize profits, so the team proposed that the company should take measures, including the introduction of a fair and multifaceted evaluation, thereby improving the employee performance evaluation method.

As for c), KIBT-JICA team conducted the 5S audit and gave guidance for improvement, and then confirmed that the working environment was improved in the sales office. The guidance for the improvement of inventory management that caused the stock-out at issue offered a practical learning opportunity to MT and TC who rarely engaged in inventory management on site. They were able to clarify internal and external product distribution channels and found out which point was a bottleneck for stock-out problem.

[Financial management]

Ultravetis is one of the large companies among the nine pilot enterprises. There are about 20 people working in the finance and accounting division, including the budget section. KIBT-JICA team decided to begin with a financial analysis for the company. When the results of the analysis of the five-year financial data were explained to the president, he showed an interest in the production of monthly financial analysis data. So, the team decided to support the implementation of a monthly financial management system, and also analyzed expenses and sales at the same time. Furthermore, KIBT-JICA team decided to give advice on the establishment of a corporate governance system. 5S was also explained to the CEO and the finance officer, and then they asked us to implement 5S in the administration and financial divisions.

First, KIBT-JICA team explained about the financial analysis template developed by the JICA-KIBT team. The company has a solid accounting management system that is supported by the accounting division and the budget section. After providing advice based on the template, the company added the template to its financial system to establish an automatic data extraction system on its own. The top executive indicated his intention to use the data to make business decisions in the future.

Regarding corporate governance, the team created and explained a matrix of ideas to advise that governance and internal management are important if the company wishes to go public in the future.

Finally, KIBT-JICA team gave the presentation three times to explain 5S to the supervisors and employees of the administration and financial divisions, including accounting and human resources. All of them listened to it attentively and received it well.

A new facility, which was completed in July 2017 serving as head office and factory, is large and clean. Ultravetis is expected to grow further in the years to come.

(2) Hope Uniform Outfitters (on-site consultancy on marketing and sales / financial management fields)

[Marketing and sales field]

Hope Uniform Outfitters, established in 2012, manufactures and distributes mainly school uniforms, but it has yet to turn a profit. It is currently designated as a school uniform distributor by 25 schools, but the competition with other designated distributors is fierce. Its marketing and sales capabilities need to be reinforced. The uniform system at public schools is a public and social system that can preserve the impartiality of clothing among children. With this in mind, a marketing concept and a sales training system must be developed. Because the company sells school uniforms, sales activities are limited to a few months of the year, with no other sources of income in the remaining months, which poses a problem in terms of cash-flow management.

In this consultation, KIBT-JICA team and the company determined the following three themes: a) improving the relationship with customers (schools & parents), by creating the opportunity of communication with them; b) establishing the sales policy to apply the concept of corporate social responsibility; and c) implementing 5S at sales office.

As for a) and b), KIBT-JICA team conducted a customer survey and found that the company needs to enhance relationships with school officials, guardians and the local community and improve its name recognition. One idea was proposed for that is to increase CSR activities based on the needs of schools and the local community, thereby gaining trust from them to establish the business foundation. Specifically, the company sets up a

network fund that is beneficial to the local community, and then asks schools, PTAs, churches and other community members for support to the fund. The company executive showed an interest in this idea, so KIBT-JICA team advised that the company should create a prospectus for the fund, including the significance of the fund and the benefits and roles of membership, and then ask community members for support. The team highlighted that the company should ask school executives (schools as customers for the company that have strong mutual trust) and local financial institutions (whose support is essential for establishing the fund) in particular for their cooperation and participation in setting up the fund. Due the nature of the proposal, KIBT-JICA team couldn't confirm the outcome during the consultation period. However, the team were able to add the following viewpoint to the company business strategy: departing from the conventional "price competition" and "promoting CSR activities to improve the brand value" as a going concern in the community. They also advised the company to develop products (hospital and company uniforms) other than school uniforms to make profits during the non-school uniform season. For CSR activities, it is important for the sales staff to improve their skills to communicate with customers, so KIBT-JICA team invited the sales staff to the sales training, which was organized by the JICA-KIBT team for the pilot enterprises for the 2nd year. This became a valuable opportunity for MT and TC to learn the significance of CSR for business management.

As for c), KIBT-JICA team conducted the 5S audit and gave guidance for improvement, and then confirmed that the store environment was improved.

[Financial management]

The company's financial management was undeveloped. Because it did not have an accountant, the accounting data was not managed well. So, they determined the following consultation themes: implementing 5S in the administration and financial divisions; developing a system for the monthly settlement of accounts; building a system that analyzes profits to improve the operating efficiency of the three stores; and improving the management of products and inventories.

First, KIBT-JICA team provided 5S training to the staff in the head office and the three stores. The team conducted the 5S audit at each store to explain improvements. All the trainees were attentive. After the audits, KIBT-JICA team revisited the stores to follow up the progress and confirmed that 5S was maintained. The team also advised them about the regular check of inventories and how to deal with customers during crowded hours. The company is expected to maintain 5S in the future.

Regarding the improvement of financial management, the company did not have an accountant before the start of our consultation, but it hired a contract accountant after our consultation (work about once a week). The JICA-KIBT team advised the accountant on how to settle monthly accounts and how to use the financial analysis tool developed by the team. KIBT-JICA team also held several meetings to explain to the supervisor about the importance of regular financial management to make appropriate management decisions. However, the financial data was not well organized, so the team couldn't assess the financial situation during the consultation period. As a result, KIBT-JICA team could not achieve our target for financial management, which was the introduction of a new system for the settlement of monthly accounts and the management of store-by-store profits and costs. The supervisors from all the divisions gathered at the final debriefing to listen to our report. They said they will work hard in reference to our advice.

(3) Turea Ltd. (on-site consultancy on all the three fields)

[Production and quality management field]

Turea produces mattresses (both foam and spring types) and beds for sale in Kenya. It has 98 employees (including 70 factory workers). In recent years, the scale of production has grown rapidly, with steps steadily taken to expand its production capacity. The production lines are laid out in close proximity in sequential order. After discussions with the management team and the analysis of the factory, KIBT-JICA team and the company determined the following two consultation themes: a) improving the productivity of the mattress assembly process and the sewing process; and b) implementing 5S.

As for a), KIBT-JICA team sampled workpieces in the mattress assembly process to analyze the operating rate. As a result, non-operation hours account for 46% of the total. Therefore, the team promoted the 5S and other activities to improve the process. This improved the working environment and the 5S audit assessment rate from 58% before consultation to 68% after consultation. A total of 10 operators participated in 5S training. At the same time, they tried to introduce 5S in other processes but failed because the persons in charge did not participate. At the end of our consultation, it was proposed that the company as a whole should make sure to conduct 5S by forming a 5S team in each workplace, checking the progress regularly and setting regular cleaning days.

[Marketing and sales field]

Turea commenced business about two years ago. Despite the short-term operations, it adopted an innovative white-based design that had not ever been seen in Kenya before, built showrooms considering locational conditions sufficiently, and promoted advertising actively, thereby attracting the new rich in Kenya. As a result, it has been steadily increasing its sales for such a short time. In addition to selling through distributors, such as supermarkets, the company sells products directly to customers at ten showrooms in Kenya's major cities. The president said that he wants to penetrate his management philosophy to his Kenyan staff and further invigorate sales activities, thus establishing a brand and expanding business in the entire East Africa. So, KIBT-JICA team determined the following three consultation themes: a) promoting sales policy of value addition through improving the functionality of the products; b) improving sales activity by applying advanced sales promotion technology, learning from best practices, such as IKEA; and c) implementing 5S in the sales division.

As for a) and b), the company is working on the pull strategy with unique products and active advertising, but the pull strategy is insufficient because it is just a matter of time before the company is followed by competitors. Therefore, it is necessary to enhance customer contact activities to strengthen the brand power from now on. To assess customer contact activities, KIBT-JICA team conducted a questionnaire survey of staff at the ten showrooms on their daily customer services and satisfaction in the capacity of an employee, and also a door-to-door survey of the showroom in Nairobi. It was found that the showroom staff just dealt with customers but did not receive training for actively expanding sales. So, KIBT-JICA team invited the sales staff to the sales training, which was organized by the JICA-KIBT team for the pilot enterprises for the 2nd year, giving advice on an active sales attitude toward customers, sales management techniques, etc. It is also necessary for the company to develop new products systematically in preparation for fierce competition expected in the future. To that end,

the team showed other companies' new product development examples and proposed the introduction of a program that standardizes new product development.

As for c), KIBT-JICA team conducted the 5S audit and gave guidance for improvement, and then confirmed that the working environment in the head office was improved.

[Financial management]

Turea was working on the introduction of a new accounting system with the support of an external consultant. However, past financial data was not well organized and fully assessed. So, KIBT-JICA team determined the following three consultation themes: a) introduction of financial analysis tool and transferring the knowledge of using this tool to key finance members; b) implementing 5S in the administration and financial divisions; and c) creating monthly management and financial reports.

As for a) and c), KIBT-JICA team requested the company to submit the financial data many times. The team also requested the newly hired accounting consultant to provide the data but failed to obtain the data and assess the financial analysis situation. They also explained to the management and the financial staff about the importance of monthly account settlement and financial reports, but they did not create any reports.

As for b), KIBT-JICA team explained to the financial officer, managers and staff in the administration and finance divisions about 5S at the start of our consultation. The team conducted a 5S audit and then followed up the progress to confirm a slight improvement.

The manager in charge of the general operation asked us questions about how to build an ideal corporate structure and a suitable organization, and the team made suggestions for the improvements.

(4) Mambo Interiors (on-site consultancy on marketing and sales / financial management fields)

[Marketing and sales field]

Mambo Interiors manufactures and distributes furniture for general households, and its products are generally made to order. Mainly customers place semi-custom orders based on furniture models displayed in the showroom, adjusting the size according to individual space requirements. KIBT-JICA team determined the following 3 consultation themes: a) specifying the target customers and matching the sales concept & product lineup; b) conducting sales promotion activities to the target customers efficiently; and c) implementing 5S.

As for a) and b), the team proposed conducting interviews with customers at major shopping malls and its product users. But it was not implemented, because the company did not provide the customer information. So, the team clarified STP (Segmentation, Target, and Positioning), explained the significance of setting marketing and sales strategies based on STP, proposed narrowing down customers through STP and developing products in consideration of the target market, and then supported the creation of the sales strategy accordingly.

As for c), the team explained to the head office and the sales division about 5S and encouraged them to implement improvement activities, but they did not do so in their stores.

[Financial management]

Mambo Interiors designs, manufactures and distributes African-style furniture. The company targets upper- and middle-class customers. There is demand for its products, but the problem lies in low profit margins. The

company outsources accounting but is eager to manage it by itself as soon as possible. It also strongly desired to reduce costs at its furniture studio and increase profit margins although this was not relevant to financial management. In response to these requests, KIBT-JICA team determined the following consultation themes: providing advice on how to assess the accounting data; collecting information on the financial management software suitable for the company; and establishing a monthly account settlement process. If the company provided us with the financial data, KIBT-JICA team would analyze the financial condition to give advice on financial improvement. The company was not selected as a pilot enterprise for production and quality management field, so the JICA-KIBT team in charge of this field agreed with the company to support the introduction of improvement activities for improving the furniture production site.

First, KIBT-JICA team collected information and proposed the financial management package software suitable for the company. It decided to introduce a financial software program according to advice from the JICA-KIBT team. On the other hand, although the team requested the company many times to submit financial data for analysis, it was not provided due to delays in monthly account settlement and financial data.

KIBT-JICA team provided 5S training to about 10 workers at the furniture studio. The furniture studio was full of waste and was not cleaned, but pieces of cut wood were placed randomly. So, the team began with the 1S (Sort), providing advice on setting a space for waste and affixing to waste and objects red strips that explain how to deal with them. As the workers were able to see the working environment improved by sorting and setting in order, they were very proactive and cooperative. Accordingly, the studio was tidied up and the workers were motivated to maintain the condition. If the president displays his leadership, the staff are expected to continue the 2Ss (Sort and Set in order), which were carried out as a result of our consultation.

(5) Sadolin Paints (E.A.) Ltd. (on-site consultancy on production and quality management field)

[Production and quality management field]

Sadolin is a paint manufacturer with about 300 employees. The production manager previously worked for the Indian subsidiary of one multi-national paint company, and he worked on the introduction of 5S in the company. After discussions with the manager and a factory analysis, KIBT-JICA team determined the following consultation themes: a) promoting 5S; and b) improving the productivity of the fitting process.

First, the team exchanged opinions with the production manager in charge about how to promote 5S. KIBT-JICA team introduced the 5S audit check sheet used by the JICA-KIBT team and advised on how to promote 5S. Then, the team provided support for 5S in the fitting process and the warehouse.

However, the company was acquired by a foreign-affiliated company in April 2017, and the management policy was changed by the new management. The new management did not agree to the continuation of our consultation, so KIBT-JICA team had to suspend it.

(6) Balm Industries Ltd. (on-site consultancy on all the three fields)

[Production and quality management field]

Balm Industries manufactures hair care products, particularly shampoo. It has 20 employees. After changing its sales strategy target from middle-level users to low-end users, the company has been receiving more orders. However, because the production structure is underdeveloped, the production capacity is insufficient. The small

factory lacked sorting and setting in order. Work-in-progress products, inventories of finished products, and packaging materials took up the production space. All the employees improved the working environment by sorting and setting in order before the 5S audit, and then embarked on improvement activities. The consultation themes were as follows: a) implementing 5S (improving the 5S audit assessment levels and building a system that promotes KAIZEN); and b) reducing inventories of packaging materials. As for a), all the employees conducted sorting and setting in order before the 5S audit. Eventually, the audit assessment score was over 70 points, up from 50% before the 5S audit. A system was established where employees conduct 5S and KAIZEN under the instruction of the president. The president said that the introduced 5S raised the awareness of employees, taking action quickly without procrastination. As for b), in addition to the introduction of 5S mentioned above, the inventory of bottles was reduced from two months' worth of bottles to one month's worth of bottles. Currently, production results and inventories are manually recorded, so KIBT-JICA team proposed the next step, which is to keep records with Excel.

[Marketing and sales field]

Balm Industries is cultivating a market in rural areas to promote the manufacturing and sales of products, while targeting the low segment market in Nairobi and other cities to sell products via wholesale outlets. After increasing steadily, the growth rate has plateaued in recent years. The company asked for support to enhance sales capabilities in areas other than Nairobi and devise a sales strategy for the future. So, the team determined the following three consultation themes: a) standardizing the process of sales activity by area for sales promotion; b) establishing the process of developing new product according to the area focus sales activity; and c) implementing 5S in the sales division.

To examine a) and b) and assess the current situation of the sales force, KIBT-JICA team interviewed with three sales members and conducted a door-to-door survey of business partners in Nairobi. These were aimed at checking the skills of the sales staff, the sales management method, and business partners' evaluation of products and the sales staff. The results confirmed that the products and the sales force of the company were highly evaluated in Nairobi. The immediate challenge for the company is to enhance sales capabilities in rural areas, so KIBT-JICA team suggested that the company should relocate a capable salesperson in Nairobi to a rural area, but the team found that this was not practical because sales capabilities may decrease in Nairobi. Alternatively, KIBT-JICA team proposed that the company should promote the salesperson to the top position in the sales division to motivate him and give more responsibility, thereby enhancing sales capabilities in Nairobi and rural areas. KIBT-JICA team also proposed hiring and nurturing new sales staff in a planned manner. The company agreed to these proposals. They advised the company about sales management and the medium-term sales plan creation process when the sales force is increased.

As for c), KIBT-JICA team conducted the 5S audit and gave guidance for improvement, and then confirmed that the working environment in the sales office was improved.

[Financial management]

Most employees belonged to the manufacturing or sales divisions. The managing director looked after the administration and finance divisions almost alone and wished to increase the financial staff. KIBT-JICA team

received the financial data and analyzed the financial condition for the past five years. Accordingly, the team determined the following three consultation themes: a) analyzing costs and profitability based on the existing financial data and proposing financial improvement measures; b) introducing financial analysis tools; and c) developing the skills of new financial staff.

As for a), KIBT-JICA team analyzed the financial data for the past five years and found that the company was in a difficult financial condition without turning a profit. It also had a cash-flow problem. So, the team advised that the company needs to increase profits by assessing product lines by profit and sales and minimizing unprofitable product lines, and to calculate costs for it.

As for b), KIBT-JICA team instructed the company on the cost calculation concept generated by the JICA-KIBT team, how to allocate overhead costs, and how to assess product costs. MD, who was young and motivated, worked on the calculation of profit margins by product line and the review of unprofitable product lines according to our instruction.

As for c), the team instructed a new accountant. They explained the analysis results of the company's financial data for the past five years, and confirmed financial characteristics, issues and check items for the future.

Finally, MD analyzed the profits of all product lines and decided to discontinue the manufacturing and sales of unprofitable product lines. So, the company is proceeding on the right track. MD expressed his deep appreciation for our activity

(7) Colour Labels Ltd. (on-site consultancy on all the three fields)

[Production and quality management field]

Colour Labels prints labels for packaging containers. It has 100 employees. The company has been in business for 30 years, but had never implemented 5S, so there was much room for improving the production environment. So, KIBT-JICA team determined the following two consultation themes: a) implementing 5S (improving the 5S audit assessment levels, providing 5S training, and developing a structure that promotes 5S and KAIZEN); and b) improving the operation rate of the flexographic printing line.

5S was carried out in all the processes, including pre-press (including pre-cutting), press (flexographic and gravure), PVC molding and post-press (inspection and rewinding, post-cutting, and adhesive binding). Persons in charge from each workplace attended the 5S audits. A total of 89 workers including night-shift workers participated in 5S training. The 5S audit assessment was improved from 35% before consultation to 59% after consultation. 5S also helped eliminate unnecessary raw material inventories and product stocks, creating about 150 m² space in the material warehouse.

The corporate structure is rather nonhierarchical, so the company has only a small number of managers and supervisors. To maintain and improve 5S, it is necessary to develop a structure that promotes 5S. KIBT-JICA team highlighted this point as a future challenge for the company and made some proposals, including the setting of requirements for appointing 5S supervisors and the provision of incentives.

[Marketing and sales field]

Colour Labels receives orders from major companies in Kenya as well as other countries and has achieved steady growth. However, competition is becoming fiercer in the market, and profit margins are on the decline

because unit prices have decreased. So, KIBT-JICA team determined the following three consultation themes: a) establishing the process of making customer-oriented business plan; b) improving the process of customer service based on the customer survey; and c) implementing 5S in the sales division.

As for a) and b), the team conducted customer surveys in the early phase of the consultation. The results found that profit margins declined because unit prices were decreased by the recent fierce competition, and that only two persons in the service division dealt with customers. Therefore, customer service became inadequate, which may lead to the defection of customers. Furthermore, some competitors have already adopted digital printing to reduce the lead time and respond to low-volume on-demand printing while Color Label has not. Based on the survey results, KIBT-JICA team explained to the company executive that the immediate challenges to improving profit margins are to build a system that captures changing customer trends and market needs appropriately and to establish an in-house system that responds to changing needs. Digital printing was difficult to introduce for a short time, so the team proposed that the sales staff should offer attentive customer service to retain customers and improve customer satisfaction. In addition, the sales staff need to enhance their sales capabilities because they serve as a contact point with customers. Therefore, the team invited them to the sales training, which was organized by the JICA-KIBT team for the pilot enterprises for the 2nd year, giving advice on the basic knowledge about sales, how to develop relationships with customers, sales management techniques, etc. This training was well received by the company. So, it will develop an in-house sales training program based on our sales training.

The JICA-KIBT team proposed that the company should start preparing for digital printing in consideration of on-demand printing that may become a mainstream in the market. For reference, the team introduced sales systems, printing technologies and applications that are adopted in the digital printing operations by small and medium-sized Japanese companies.

As for c), the team conducted the 5S audit and gave guidance for improvement, and then confirmed that the working environment in the sales office was improved.

The key point of the consultation for the company was to enhance capabilities to respond to market and competitors' changes that tend to be ignored during a steady growth period. This consultation gave a practical learning opportunity to MT and TC. They were able to apply their learned knowledge to the workplace.

[Financial management]

Colour Labels is a relatively large company among the pilot enterprises. KIBT-JICA team explained the importance of financial analysis to the financial officer several times and he understood the benefits. So, the team and the company determined the following three consultation themes for the finance division: (a) supporting the implementation of a financial analysis tool and training an accountant, (b) establishing a process for preparing a monthly financial report, and (c) implementing 5S in the administration and financial divisions. First, KIBT-JICA team obtained the company's financial data for the past five years and analyzed it. The results found that sales and profits steadily grew, but profit margins and break-even points were on a decline. The team shared these analysis results and explained the importance of monthly financial analysis. As for b), it was explained that the company should always pay attention to financial indexes in doing business because the scale of the business is relatively large and the size of the market is large. Then, the JICA-KIBT team explained to

the accounting manager the outline of the financial analysis tool developed by us and gave him instruction in the usage. After that, the team entered the financial data for the past one year into the financial analysis tool for calculation and exploratory analysis. They could not complete the full-fledged introduction of this financial analysis tool and the instruction in the usage during the consultation period, so KIBT will continue to provide support where necessary.

As for c) “implementing 5S in the administration and financial divisions,” KIBT-JICA team provided 5S training to the administration and financial divisions in the early phase of the consultation. Many members gathered from the administration and financial divisions, including accounting, human resources, quality assurance and sales. After that, the team conducted the 5S audit and gave guidance for improvement in the administration and financial divisions several times and confirmed that the 5S levels were improved.

(8) Palmy Enterprises Ltd. (on-site consultancy on all the three fields)

[Production and quality management field]

Palmy Enterprise produces toilet paper and paper towels. It has 50 employees. Managers and supervisors have not been sufficiently trained, so improvement activities have not been implemented in a planned manner. Every morning, all employees clean the workplace, so the production line is in order, but waste and by-products are not handled well. Based on discussions with the top executive and a factory analysis, KIBT-JICA team determined the following two consultation themes: a) implementing 5S (improving the 5S audit assessment levels, providing 5S training, and developing a structure that promotes 5S and KAIZEN); and b) improving the productivity of the packaging process.

As for a), the team involved the factory manager and the supervisor to work on 5S training, the development of a structure that promotes 5S, and the improvement of the 5S levels. About 80% of the employees participated in 5S training and the 5S promotion structure was developed. However, the 5S assessment level was 60% before consultation and remained at the same level even after consultation. The factory stores many raw materials and paper generated from production, so it was very difficult to maintain 5S. KIBT-JICA team proposed that the company should carry out cleaning regularly and systematically to improve the 5S levels. As for b), the team made some proposals based on our analysis of the layout and the operation rate but failed to change the processes and carry out KAIZEN activities.

[Marketing and sales field]

Palmy Enterprise mainly conducts route sales to supermarkets and wholesale distributors. Because the company sells difficult-to-differentiate products competing against major manufacturers, the challenge is to maintain and expand sales. So, KIBT-JICA team determined the following three consultation themes: a) specification of the target customers and matching the sales concept & product lineup; b) improving sales promotion process and enhancing sales promotion activities; and c) implementing 5S in the sales division.

As for a) and b), to explore product differentiation measures and shift from route sales to direct customer sales, KIBT-JICA team first assessed the current sales routes, situation and skills. Accordingly, it was found that the sales staff need to receive training on sales methods and management. To differentiate products, it is effective to develop products which large companies don't want to handle due to time and effort in manufacturing, so

KIBT-JICA team also advised the company as a first step to classify customers into groups, including hospitals, hotels and general offices, to survey customers in terms of inconvenience and potential demand for the existing products. The president agreed to this proposal and committed himself to take leadership of developing products. For training on sales management for the sales staff, KIBT-JICA team invited the president and the sales staff to the sales training, which was organized by the JICA-KIBT team for the pilot enterprises for the 2nd year, giving advice. After the training, a training assessment meeting was held and the president expressed his intention to begin in-house training based on this training.

As for c), KIBT-JICA team conducted the 5S audit and gave guidance for improvement, and then confirmed that the working environment in the sales office was improved.

Palmy Enterprise is one of the small businesses that are major customers for KIBT. Management improvement through introducing marketing concepts faces many difficulties due to external conditions, including customers and markets. However, after many discussions with the company based on the results of the customer, market and competitor analyses, KIBT-JICA team achieved the company's understanding of the importance of improving the sales system. This opportunity helped us enhance our consultation skills for MTs and TCs.

[Financial management]

There is room for improvement in the financial data management. The president and the administration manager were impressed by the financial analysis tool presented by us and asked us for support in building a financial analysis system. In addition, another important challenge is to give instruction about corporate accounting to the accounting manager. KIBT-JICA team gave instruction on the basic knowledge about financial statements to him. In the future, KIBT-JICA team will support the establishment of a system that settles accounts on a monthly basis and support the introduction of 5S to the administration and financial divisions. So, KIBT-JICA team determined the following consultation themes: a) creating monthly business and financial reports; b) improving the skills of the accounting manager; and c) implementing 5S in the administration and financial divisions.

As for a), KIBT-JICA team collected and analyzed the tax filing data for the past three years and explained the results. The team reported that the company had no financial problems, the break-even point was low, and the cash flow was stable. It was suggested that the company should settle monthly accounts appropriately and report the results to the management accurately and immediately. As for b), KIBT-JICA team gave instruction to the accountant, who was a son of the president, about the accounting method and key points and the usage of the financial analysis tool created by the JICA-KIBT team. In response to our advice on the importance of assessing the financial and production situations, the company plans to hire an external consultant to develop a database for managing inventories and work-in-process products, thereby improving productivity. If this data is linked with the accounting data, the company situation may be more clarified, which help the management will make better decisions in the future.

As for c), KIBT-JICA team supported the implementation of 5S in the president office and the accounting office. After several 5S audits and improvements, the importance of 5S is being accepted by the employees. 5S can be sustained at their offices.

(9) Plast Packaging Industries Ltd. (on-site consultancy on production and quality management field)

[Production and quality management field]

Plast Packaging prints labels for containers and molds plastic containers. It has 150 employees. The company has been in business only for a short time because of 10 years' experience of label printing and three years' experience of plastic container molding, but it has made active equipment investment to expand its business. KIBT-JICA team decided to focus our consultation on the plastic container (PET and HDPS) process and determined the following consultation themes: a) implementing 5S (improving the 5S audit assessment levels, providing 5S training, and developing a structure that promotes 5S and KAIZEN); and b) reducing the setup time for HDPS and other products.

As for a), the 5S assessment level in the HDPE process was improved from 61% before consultation to 81% after consultation. The team also provided training on 5S and the preventive maintenance of equipment in the middle phase of the consultation, where 21 employees (80% of the total personnel) participated. As for b), KIBT-JICA team inspected the workplace and advised the company to improve the mold working environment, but the operation and the process were not improved. In the final phase of the consultation, regarding b), KIBT-JICA team explained the flow of reducing the setup time and provided documents (improvement case examples), thereby encouraging the company to take voluntary actions.

3. 3rd Year

(1) Welding Alloys Ltd. (On-site consultation on all three fields)

[Production and quality management field]

Welding Alloys Ltd. is a manufacturer of welding electrodes, oxygen and acetylene, with almost 100 employees. While there are no major issues at factories that have been newly established and relocated from the Industrial Area two years ago, the implementation of 5S at warehouses for raw materials and mechanical equipment as well as in the welding electrode process has been established as a focus point. As the employees at the company are relatively young and have a strong desire for training, targets have also been set for training implementation and participation rates. KIBT-JICA team has established the following consultation themes: a) improvement of 5S level through 5S audit and building of an organization promoting 5S and KAIZEN (welding electrodes process) and b) improvement of productivity in the straight-line process and the coating process.

As for a), KIBT-JICA team has promoted 5S and improvement activities by establishing a project team with mill managers and HRM representatives, and it has implemented two 5S training sessions (basic training in January and case studies in April). All production lines were stopped during the case study training in April and all 45 workers participated in that training. The first 5S audit score was 46%, which was improved up to 77% in the 5S audit implemented at the end of February. Eight 5S experts were also appointed.

As for b), KIBT-JICA team conducted a time study and proposed a reduction in setup time and multi-machine handling. In addition to operation results, the production results data has already been collected by KIBT-JICA team, so the team proposed measures to improve those results by specifying issues that are hampering improvements in productivity such as unskilled workers in setup, improvements in work methods and work tools, and developing a setup change schedule for multi-machine handling.

[Marketing and sales field]

The company has steadily adopted PDCA and worked towards achieving its sales targets, but a high turnover of sales representatives has been an issue. It has also been confirmed that sales have been sluggish due to weakness in the company's sales management system and the entry of Chinese products in the market. Moreover, the sales manager was transferred to another company, and the director took charge of the sales representatives as an emergency measure.

It is important for the company to build a strong sales team that is not affected by the external environment, and KIBT-JICA team established the following consultation themes: a) setting up the action plan to enhance sales manpower; b) revising and improving the growth strategy; and c) improving the customer information system based on 5S concept and establishing the mechanism to use the information effectively.

As for a), KIBT-JICA team conducted interviews on the current efforts by the company's sales personnel and recommended that the sales manpower be strengthened. The company's director participated in the sales promotion training and sales management training implemented by KIBT in April 2018, and it has been confirmed that the company is working to develop its own sales training based on the KIBT training.

One issue related to b) is that sales targets have not been clearly set in the company's business plan, so the team proposed creating a growth strategy with a clearer awareness of the segments. The team also conducted customer surveys and presented proposed segments. It is confirmed that the company has revised its growth strategy in the business plan.

As for c), the team introduced the 5S concept to managers and staff at the sales department. Following that, the team conducted a 5S audit and gave improvement guidance, and it has been confirmed that the office environment at the sales department has improved.

[Financial management]

Welding Alloys has received its capital from an investment company. Under guidance from the investment company, the company created financial statements based on a SAP-based system for a required period before consultation started. Its sales have been at around 400 million to 500 million shillings over the past five years, resulting in its current good financial condition where it is basically profitable. KIBT-JICA team established the following consultation themes: a) implementation of 5S at administration and finance office; b) training of managers and staff at financial section on being able to analyse financials timely; and c) development and improvement of monthly management and financial report.

As for a), KIBT-JICA team started by conducting the 5S training and then it conducted a 5S audit. After giving the 5S guidance, the team checked the 5S progress at the finance office and the financial document stock room, and it found that documents are being organized by date and financial documents are being stored on an organized manner, showing significant improvement from the condition before consultation. Following continuous guidance and checks by KIBT-JICA team during the consultation period, there was a significant improvement in the 5S level at the finance office and financial document stock room; e.g. checking of documents that are required to be stored under law and promotion of the disposal of unnecessary documents.

As for b) and c), although the company staff have an understanding of the company's financial condition through the SAP system, they have not conducted analyses using financial analysis indicators such as a break-even point

(BEP) and return on assets (ROA). KIBT-JICA team therefore showed the financial staff its template for financial analysis that the team has created, and instructed the staff on how to use the financial template and how to create management materials based on that template. The financial staff are now able to enter monthly data and conduct financial analyses at the end of each project.

(2) Branan Flowers (On-site consultation on all three fields)

[Production and quality management field]

Branan Flowers is a producer and exporter of 15 kinds of roses to Europe, with 470 employees at 28 greenhouses. The consultation themes are as follows: a) improvement of 5S level through 5S audit (packaging process); b) number of staff/workers who are involved in 5S audit (the whole factory); and c) productivity improvement at bundling process, and KIBT-JICA team implemented the 5S and improvement activities by targeting the fresh flower packaging process from which the expected improvement effect can be seen.

As for a) and b), the initially measured points in the 5S audit were 61, but this improved to 74% in the third audit in November. The packaging process supervisor, who was the contact person on the company side, has gained a stronger sense of responsibility through the on-site consulting activities, and is now able to lead other members. The number of staff involved in the 5S audit has remained eight people. In order to continue 5S in the future, responsible persons will be appointed and 5S implementation dates will be set.

As for c), a project team consisting of around 10 people, including HRM staff, the packaging process group leader, staff and others, promoted productivity improvement. As conveyors were installed during the consultation period, KIBT-JICA team conducted two-time measurements during the sleeving process for which no target time was set, collected effective data from all workers engaged in that process, set the target time and started operation. As a result, the packaging process working time was reduced from an average of 11 seconds to 9 seconds.

For the company-wide promotion of KAIZEN as a future issue, KIBT-JICA team recommended that the company develop responsible managers such as farm managers and packaging process leaders.

[Marketing and sales field]

Based on interviews with the company's management and sales managers, KIBT-JICA team set the following consultation themes: a) developing a new market, b) improving the product value, and c) improving management of market information based on 5S concept.

As for a), KIBT-JICA team gave guidance on the basic marketing strategy development process, and based on this it supported the formulation of the company's mid-term marketing plan. Following that, the team supported the formation of growth strategies to make continuous efforts to develop markets reliant on the mid-term plan and to put in place a product-development mechanism. The team also gave guidance on how to develop business plans for single fiscal years according to the mid-term plan to give substance to the strategy. The strategy focuses on the development of untapped markets in Europe—including Eastern European countries—and those in the Near and Middle East, and the company has started to explore the possibility of exporting products by contacting commercial departments of embassies while at the same time developing plans.

As for product value improvement and product development in b), KIBT-JICA team recommended that the company differentiate its products from those of its competitors by focusing on popular flowers in each season in the target markets and to supplement that by supplying flowers from Kenya, which is in the southern hemisphere, when those flowers do not grow well in the northern hemisphere. The company has started to take specific measures based on those policies at the end of the project.

Unfortunately, there has been no significant progress on c) because the people in charge have been tied up with shipment coordination and other duties. It has been confirmed that the current situation is such that the persons in charge have a wide range of duties and do not have enough time to improve information management or develop new markets. The company has agreed to employ new staff or assign a person in charge of routine tasks so that the people in charge of c) above can focus on the development of new markets and new products.

[Financial management]

Based on interviews with the company's management and financial managers, KIBT-JICA team established the following consultation themes: a) implementation of 5S at administration and finance office, b) training of managers and staff at financial section on being able to analyse financials timely, and c) development of monthly management and financial report.

As for a), KIBT-JICA team explained the concept of 5S and implemented a 5S audit and gave guidance at administration and finance offices. As a result, the company is now able to keep things tidy and organized at the end of the project, which is a major improvement from before the start of the project.

As for b), KIBT-JICA team explained to the farm managers and accounting team how to conduct financial analyses and also explained the financial templates created by the team. When the team input financial data submitted by the company into the financial templates and explained the results thereof to the management and financial officers, the management and financial officers found our analysis results very useful. The purpose of building a mechanism for prompt financial analyses has been reconfirmed at the direction of Managing Director. When consultation with the company ended, the accounting managers and assistant managers basically had a good command of the financial templates and were able to easily create monthly financial reports. It is expected that those will be more effectively used in the future.

(3) Kenya Coach Industries Ltd. (On-site consultation on all the three fields)

[Production and quality management field]

Kenya Coach Industries Ltd. is a bus and truck body manufacturer with 150 employees. At the start of the consultation (October 2017), the company planned to relocate its factory to new premises along Mombasa street (relocated in June 2018). To lay the groundwork for improved productivity at the new factory, KIBT-JICA team set the following consultation themes: a) improvement of 5S level through 5S audit (all processes); b) participation rate in 5S training (all the staff/workers related) and c) number of staff/workers who are involved in 5S audit (all managers).

As for a) and c), the company has promoted 5S and improvement activities in a top-down fashion, and all of the production managers and four executives attended each meeting at the time of our visit and all the indications in the 5S audit were followed. The company has also made efforts to achieve a 5S score of 80 and a participation

rate in designated members' 5S activities of 100% (all employees) at each office, and the points improved to 73 at the time of the fourth audit targeting all processes.

As for b), KIBT-JICA team implemented 5S training for all workers in May. The first training was attended by 45 people as estimated, but due to increased orders following that, the initially scheduled second training was not conducted. The team recommended that in the future the company set up a 5S/improvement bulletin board to post radar charts and before-and-after photos, implement competitions by conducting 5S audits for each department, and develop 5S training officers under mill managers.

[Marketing and sales field]

With the capital transfer from General Motors to Isuzu last year, the company's business agreement with General Motors, which was a major customer, fell apart. The company decided to expand sales using its own sales service network for the time being, but it has no mechanism to internally train sales personnel, and its mid-term strategies lack specifics. Given these circumstances, KIBT-JICA team set the following consultation themes: a) improving the budget achievement rate by enhancing sales management; b) making a plan to expand the customers, including the review of current marketing strategy; and c) improving customer information system based on 5S concept and establishing the mechanism to use the information effectively.

As for the enhancement of sales management in a), the current situation is such that turnover of newly-hired sales representatives is high and sales are mostly dependent on a few senior sales representatives. To improve this situation, KIBT-JICA team arranged for three sales department staff to join the sales promotion and sales management training implemented by the team, and following that it was confirmed that the company is preparing its own sales training program based on that training. The team also analysed requests and issues frequently raised in interviews with sales representatives and customers and reported improvement measures to the management. The president commented that a team sales system to enhance sales capability has already been implemented and is gradually producing results.

As for b), it has been confirmed that as support to expand the company's customer base a maintenance caravan and traveling service unit (in a truck loaded with consumable parts) has been launched and started local touring. As sales promotion measures, the company plans to regularly invite potential customers to Nairobi and hold shows to promote their products at a hotel. It has also been confirmed that the company is strengthening its activities for effective contact with customers using the Internet.

As for c), the company is currently analysing customer information and organizing information by segment. Sales representatives are building an easy search mechanism.

[Financial management]

The company's sales achieved five-fold growth compared with five years ago, surging to 3.4 billion shillings. On the other hand, its profit margins remain relatively low and cash flow is also tight, so KIBT-JICA team had discussions with its management on how to increase the company's financial situation. As a result, the following three consultation themes have been set: a) development of mid-term business plans; b) training of managers and staff at the financial section on being able to analyse financials in a timely manner; and c) development of monthly management and financial reports.

As for a), KIBT-JICA team gave guidance to management, financial managers and mill managers on how to create mid-term and annual budgets. The team explained how to create budgets using important financial figures such as orders, sales, costs, purchases, management costs and profits.

As for b) and c), the company explained that their current accounting mechanism was created by the president himself. When KIBT-JICA team input financial data obtained from the company into the financial templates created by the team and explained the result to the president and other executives, the president and other executives said that they had never seen such analytical data and were happy about being able to confirm their financial situation from a new perspective. Following that, the accounting manager took the initiative to customize the financial templates. The accounting manager says that by using the financial templates it is now possible to easily and promptly analyse important financial indicators and report to the president.

(4) Plast Packaging Industries Ltd. (On-site consultation on marketing / sales field and financial management field. The consultancy on production & quality management field was conducted in the 2nd year.)

[Marketing and sales field]

Plast Packaging Industries Ltd. is a printing company specializing in various packages. The issue faced by the company was to create and implement a sales-management system. The basis for its budget development was ambiguous and sales forecasts and results were not properly managed and there was an enormous discrepancy between forecasts and results. The president was aware of the issue and understood the need to create a future-oriented management system while the company's management scale is still relatively small. The KIBT-JIC team focused on the following two consultation themes: a) establishing the sales management system based on appropriate budget and result control; and b) improving capabilities of sales representatives.

As for a), the KIBT-JIC team first suggested making it a routine task to create proper sales budgets and manage progress against budgets. As a result of obtaining necessary information at the plan formulation stage and taking sufficient time to analyse information, budget figures were improved to more realistic target values. Moreover, by conducting regular checks and reviews at the implementation stage based on PDCA, it has been confirmed that budget and result control has been improved.

As for b), the president and sales representatives participated in sales training and sales management training implemented by the KIBT-JIC team, in which the team gave guidance on the roles of the sales team and methods of sales promotion and sales management. It has been confirmed based on subsequent interviews that the company has been gradually implementing sales management. It has also been confirmed that the company will establish its mid-term sales plans and annual business plans based on that training.

[Financial management]

Based on interviews with the company's executives, KIBT-JICA team set the following three consultation themes: a) implementation of 5S at administration and finance office; b) training of managers and staff at financial section on being able to analyse financials timely; and c) development of monthly management and financial report.

As for a), KIBT-JICA team implemented 5S training three times targeting all sections in the administration and financial divisions. Following that, the team implemented a 5S audit and provided 5S guidance. By actually

looking at the administration and financial divisions, it can be seen that they are well organized and the employees at each division understand the importance of continuous 5S and regular checks.

As for training managers and staff at the financial section in b), KIBT-JICA team explained the financial templates created by the team, input the company data into the templates, analysed the data, and gave guidance to management on the creation of financial reports. Further, the company's accounting manager and persons in charge attended pilot training for companies with a theme of financial management which was held in March 2018 and worked to acquire financial management knowledge.

As for c), the company customized the aforementioned templates to suit its need. KIBT-JICA team checked the contents of those customized templates and gave instructions on the detailed points requiring modification. The accounting manager used the template to create monthly financial reports and reported to the president. The president listened to the financial analysis results and said that the company hopes to use those results as the basis for its management decisions.

(5) Thika Cloth Mills Ltd. (On-site consultation on production and quality management field)

[Production and quality management field]

Thika Cloth Mills Ltd. is a textile production company with 600 employees (2 shifts) and a history of more than 40 years. Under the managing director and the mill manager, there are five departments: thread spinning, weaving, dyeing, printing, and engineering, and the factory is extensive. Extended 5S activities were developed in a reverse order of the processes starting from the product warehouse.

KIBT-JICA team set the following three consultation themes: a) improvement of 5S level through 5S audit (folding section/finished product inventory), b) the participation ratio of 5S training (80% of the employees), and c) increase in the number of staff/workers who are involved in 5S audits (management staff). As there is no staff directly under management director, around 15 managers and staff from five divisions participated in the 5S and improvement activities, which consisted of reflection on the previous training, 5S field surveys, assessments and improvement discussions. The extended 5S activities were developed in a reverse order of the processes starting from the product warehouse.

As for a), the initial 5S audit score was 62% for the product warehouse and folding processes, which improved to 73%. The score for the processing section improved from 57% to 65%. As for b), a total of 20 managers and staff participated in the six 5S consulting activities. As for c), the number of employees participating in 5S audit increased from 8 to 10 people. Two out of the five main divisions were involved in the aforementioned activities. As the company plans to independently promote the 5S on a company-wide basis after the completion of on-site consultancy with KIBT-JICA team, the company will appoint a 5S promotion officer (human resource management staff) and set 5S implementation dates and prepare a 5S promotion timetable.

In addition to the results achieved by the company, it was of great significance that the MTCs and the Trainers experienced 5S and improvement consulting to a company with a larger management scale.

(6) Chui Auto Springs Industries Ltd. (On-site consultation on all three fields)

[Production and quality management field]

Chui Auto Springs Industries Ltd. is an Indian-family company with 70 employees that manufactures

automotive leaf springs. With sales of 250 million shillings, the company's business scale is somewhat small in the industry, and further improvement of productivity and shortening of lead times to improve its competitiveness is an issue. KIBT-JICA team chose the following three consultation themes: a) improvement of 5S level through 5S audit (all processes), b) participation rate in 5S training (80% of all the staff/workers related), and c) [increase in] number of staff/workers who are involved in 5S audit (management staff). Four people including the managing director in charge of production, the production section manager, the supervisor and one other employee attended each visit and promoted activities. In addition to the 5S audit implemented together with KIBT-JICA team, the company set every Saturday as a 5S day, on which 5S activities were conducted at all factories.

As for a), the president and mill managers had a strong motivation for improvement, and KIBT-JICA team conducted five 5S audits and the audit score improved to 85%. The company produced boxes for unfinished products and bolts and nuts and placed them next to each workbench. All products and unfinished products are now managed on pallets. As for b), 55 people participated and diligently studied in the 5S training. As for c), the number of staff/workers increased from four to five people.

The reduction of product dead inventory and optimization of steel materials and U-shaped bolts are future issues. KIBT-JICA team calculated productivity (production volume/number of personnel) based on the provided data, and proposed setting production targets and management of productivity indicators based on historical data as a future issue.

The company has grown as a manufacturer of automotive springs for the maintenance industry. However, its current factory is too small to realize its pending entry in the built-in automotive spring industry, so drastic decision-making and preparation for capital expenditure is required. The team recommended that the company consider as a diversification strategy internally manufacturing U-shaped bolts and centre bolts, which are currently purchased from China.

[Marketing and sales field]

Our analysis of the sales trends by customer over the past five years reveals that sales have been sluggish in recent years compared to past sales increases. KIBT-JICA team discussed, as an improvement measure, to realize strategies that are poles apart: improving its inefficient sales to individual distributors while improving communication with individual customers. The team set the following two consultation themes: a) establishing the system to develop new customers, and b) establishing the system to improve the relationship with current customers.

As for a), the team first examined the company's basic policy to develop OEM clients as an untapped market and to expand export sales to East African nations. When the team suggested reinforcing the sales system by adding personnel, two new sales representatives were immediately assigned. The company also created leaflets and general catalogues for sales channel development. Sales representatives participated in sales management training implemented by KIBT-JICA team in April 2018, based on which the company has formulated its own marketing strategies and training program. At the same time, as it is difficult to individually deal with almost 300 distributors, the team proposed an idea to improve sales efficiency by introducing a layered management

system in which those sales networks are stratified (ex. primary distributors, secondary distributors, etc.). The team also proposed the promotion of online sales to improve sales efficiency.

As for b), KIBT-JICA team proposed that the company establish a new customer strategy to build platform functions such as individually contacting web-based customers and providing regular opportunities for customer interaction. In the end, the company presented specific proposed plans for each of the above proposals and confirmed its policy to promote trials in the future.

[Financial management]

KIBT-JICA team has set the following three consultation themes and proceeded with consulting: a) implementation of 5S at administration and finance office; b) training of managers and staff at financial section on being able to analyse financials timely; and c) development of monthly management and financial report.

As for a), the team first explained 5S to administration and finance office staff, and they agreed on the implementation of 5S at their offices. The team also conducted 5S audits and recommended improvements based on those audits, and then conducted regular follow-ups. As a result, the 5S audit results improved from 30% from before the audit to 60%. The team confirmed the company's willingness to continue to implement 5S in the future.

As for b), KIBT-JICA team first obtained the company's financial data for the past five years, and conducted a financial analysis based on the financial templates created by the team. Based on the result of that analysis, the team instructed the CFO and accountants on how to read financial indicators such as the break-even point and how to improve those indicators. After that, the team continuously provided those people with coaching on the technical transfer of financial templates and financial analysis methods. They also participated in financial management pilot training provided by KIBT-JICA team and acquired practical knowledge.

As for c), the company revised the aforementioned financial templates into a suitable form. The company uses accounting software called Sage and its accounting data is reliable, so the team instructed the company to accurately enter data in the financial template and complete entries in accordance with the guidelines. As a result, the company has built a mechanism to conduct annual, quarterly and monthly financial analyses and create financial reports.

The team pointed out as a future issue that management analyses were adversely affected by a lack of monthly inventory management. The team advised the company to consult with an external audit company at an early stage and reflect its inventory on a monthly basis.

(7) Miyonga Fresh Greens (On-site consultation on all three fields)

[Production and quality management field]

Miyonga Fresh Greens is an exporter of fruit and vegetables with 20 employees. The company has a leased factory space in the Utawara district for vegetable selection and packaging. It purchases fruit from external producers and vendors and exports that mainly to European countries. KIBT-JICA team chose the following consultation theme: a) improvement of the 5S level through the 5S audit (all processes), and it will set additional themes after commencing activities.

However, exports to European countries stopped in early 2018, followed by an ongoing situation in which only four employees were engaged in small-scale packaging for domestic markets. It was found at the beginning of February that the function of production would be inoperative for a long period and the team had no choice but to discontinue the consultancy on this field.

[Marketing and sales field]

KIBT-JICA team set the following consultation themes for the company: a) improving the filing system of delivery / sales related documents, based on 5S concept; and b) training on effective management of export operations.

As for a), KIBT-JICA team instructed the company to implement 5S-based filing; specifically, the team advised the company to file hard copies of relevant documents by shipment so that they could be managed efficiently. As a result, the company has become able to manage shipment volumes and profits and losses for each customer. As for b), it was discovered as a result of analysing the current cost structure that the company was unable to generate profits due to high costs as its business focuses on CIF (shipping and insurance premiums including cost, insurance and freight) transactions for which airfares fluctuate significantly and it was difficult to manage costs. Therefore, the team advised the company to review CIF, and it was confirmed that the company would shift its focus to FOB (free on board), which had lower freight costs and insurance premiums. At the same time, in November 2017, the company faced a quality issue in which its cold storage became unavailable and the quality of products that were stored and shipped at room temperature deteriorated. The company became heavily involved in addressing that issue and the team's consulting activity in this field ceased. The major cause of this issue was that the company determined transportation routes based only on cost and ignored freshness, which was an important perspective for perishable items. The team therefore explained this to the company and encouraged it to be aware of the importance of always monitoring the market to see what customers want.

[Financial management]

Having been incorporated recently, Miyonga Fresh Greens used Strathmore University's incubation facility as its office and developed and produced products at KIRDI's incubation facility. As explained before, its main production facilities were leased from another factory's production line. When the consultation began, the company was still in the process of operationalization and constructing its business base. Having recently started its business, no financial data was accumulated or organized. The company had not maintained balance sheets, so the team conducted financial analysis only based on profit and loss statements. The team set the following three consultation themes: a) assistance for introduction of financial and accounting system; b) training of staff at financial section on being able to make monthly financial report correctly; and c) development of monthly management and financial report.

As for a), the team instructed the company to introduce a financial and accounting system. Originally, the introduction of an accounting management system such as Quickbook was considered. However, because it was necessary for executives to focus on sales and production activities, the team advised the company to not introduce a financial management system first and instead to outsource accounting to an external accounting

firm to prepare accurate monthly financial statements. By employing an accounting officer later during the consulting period, the company had become able to prepare financial reports internally.

As for b), KIBT-JICA team instructed the president, executives and accounting officers on how to process accounting, prepare monthly financial statements, conduct financial analyses, etc. The president was very positive and was also willing to work on budget-making.

As for c), the company trained a newly-hired accounting officer, who is now able to create monthly management and financial reports using the financial templates created by KIBT-JICA team.

(8) Mama Maize Millers (On-site consultation on production and quality management field. The company which was selected as a pilot enterprise in April 2018, after the withdrawal of Miyonga Fresh Greens in this field)

[Production and quality management field]

Mama Maize Millers is a maize grain manufacturer with 60 on-site employees (130 employees company-wide). The president is enthusiastic and has taken part in 5S audits and leads the persons in charge at each division. Through around three months of activities (April - June 2018), improvement of the 5S level has been confirmed. Also, its factory is a process-type factory and assumed to have limited process that can be improved, but after cleaning following the 5S audit, it has become easy to understand the process, which enabled the team to make various proposals such as how to manage materials and maintain facilities.

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

[1st Year]

Name of Enterprise: Megh Cushion		Date: 7 th March 2017
Current business status	<ul style="list-style-type: none"> Sales has increased 188 Mil. KES (2014/2015) to 238 Mil KES (2015/2016). However, it will be reduced in 2016/2017 to 228 Mil KES, due to the sales decrease in the seats for trucks. It was because a main customer (automobile assembler) suspended production for three months against the GOK policy on increasing the ratio of exercise duties severely. On the other hand, the good sales trend of motorcycle parts (seats and metal parts), which has started since 2015, will cover major portion of the loss in the sales of seats for trucks. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> 5S has been maintained since the completion of the project. Every Friday, 5S is implemented in the whole company, and the supervisors assess the 5S level. By factory observation, it was confirmed 5S was organized properly and visual control was implemented most of the processes. Time study has been applied periodically. The production plan has been controlled continuously. Safety at factories have been enhanced by 5S. It has been maintained and improved since the completion of the consultancy.
	Marketing & Sales	<ul style="list-style-type: none"> The customer relationship management system which had been established based on the proposal by KIBT-JICA team is being used to conduct sales promotion activities. Sales representatives per main customer (based on the proposal by KIBT-JICA team) has functioned effectively to keep the close relationship with the customers. The company maintains the policy focusing on listening to the voice of the customers. They utilize social media for informing the information of their products. The company also has renovated the showroom and utilized it for business communication with the customers. The company executes marketing policy developed and monitors the sales results vs sales target monthly.
	Financial Management	<ul style="list-style-type: none"> The company has sustained to make the periodical management reports (monthly). In addition, it has improved further to issue weekly sales reports, based on the proposal by KIBT-JICA team. It supports the prompt decision making of management (especially sales promotion activities). The company hired two finance specialists who can manage financial systems and financial management to much focus on business planning and business analysis. The company is planning to implement ERP in very near future which could systematize all key areas to provide the managements with key numbers and information in a timely manner. 5S has been implemented every week and it helps the effective management of financial documents.
Impact	<ul style="list-style-type: none"> Workplace has been organized well. It assures the customer the good management practices of Megh Cushion. The company obtained the deal of the production of the seat to motorcycle since the middle of on-site consultancy period. The business now becomes to grow as one of the core business of the company. Due to the business success, the number of employees (permanents) increased from 105 in October 2015 to 160 in March 2017. Due to the business success, the company is now building a new factory (5 story work office). The main bank evaluates the good management of financial data. It results in the good relationship with the bank, which may make the process of provision of loan from the bank smoother. Many rules at factories and offices have been clarified. The employees can concentrate their main jobs and their job ownership of employees has been enhanced. The company provides training sessions and supports skill development. 	
Satisfaction level for consultancy	Very satisfied in all the three fields	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> The company appreciates it if KIBT-JICA team visits the company periodically to check whether the company is being on the right track in management improvement activities. It would like to have objective view. The company is also willing to share their achievements among other SMEs. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Auto Ancillaries		Date: 8 th March 2017
Current business status	<ul style="list-style-type: none"> Sales has decreased by about 5%, due to the market factors. Main end users (transporters) have been not eager to investing on new tracks, based on the factors, including the Standard Gauge Railway Project between Mombasa and Nairobi. In addition, major auto-assemblers has started CKD (completed knock down) and brought the parts from other countries. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> 5S has been maintained since the completion of the project. Every week the supervisors check the 5S level. By factory observation, it was confirmed 5S was organized properly. The work floors of U-bolt process and leaf spring process is kept clean. Quality Control Chart was made. But it was not applied throughout the factory. .
	Marketing & Sales	<ul style="list-style-type: none"> The documents provided by KIBT-JICA Team on customer relationship are used as a guideline to approach the customer. It helps to think about the issues and weakness of the company. Customer Relationship Management system was proposed by KIBT-JICA team. But it has not been established yet.
	Financial Management	<ul style="list-style-type: none"> 5S has been implemented every week and it helps the effective management of financial documents. Based on the Excel format provided by KIBT-JICA Team, the financial manager made the analysis tool which could extract specific financial data automatically. The system is utilized well now and it helps the manager to make the monthly report. Improvement of Break-Even Point (by 3%) has not been achieved yet.
Impact	<ul style="list-style-type: none"> The concept of maintaining good organization of workshops is understood by all the members of the company. They accept the concept and implement it. The working culture was changed. 	
Satisfaction level for consultancy	Very satisfied in all the three fields, especially PQM.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> The company wants to enhance its publicity, based on the results created in the consultancy. It is also willing to share their achievements outside people. 	

Name of Enterprise: Kikoy Mall		Date: 8 th March 2017
Current business status	<ul style="list-style-type: none"> - During the consultancy, the company got a big deal to produce pajamas with an Egyptian company. The company invested on the machineries and hired employees. However, due to the change of the policy of Egyptian government, the Egyptian company withdrew from the project in October 2016. Because of the debts from the bank for the investment, Kikoy now has tight condition on working capital. The company have sold the machineries and reduced the area of workshops (the space becomes half of the size before). - Since the withdrawal of the Egyptian customer, the company concentrates on working a French customer. The order is stable and rather expanding. - As the Government of Kenya revised the policy, the companies which operate in EPZ can sell in the local market in the limitation up to 20% of its total sales. So, the company is looking for the customer in the local market. - The number of employees was changed from 38 in October 2015, 100 in July 2016, to 40 in March 2017. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained the workshop and the storage. Wastes at workshop are separated. However, periodical assessment has not been implemented since October 2016. - Production area was reduced by 50%, because of the withdrawal of the Egyptian customer and the insufficient working capital. Now the company only manufactures Kikoy products to France with one production line.
	Marketing & Sales	<ul style="list-style-type: none"> - The company tried to find the business partners in neighboring countries, but has given up due to the issues on working capital.
	Financial Management	<ul style="list-style-type: none"> - The company uses the system to regularly monitor the financial status. - During the project, the company hired 2 financial staff, coping with the expansion of the business with the Egyptian company. However, due to its withdrawal, the company needed to reduce the indirect cost and fired these staff. The financial status is monitored by GM.
Impact	<ul style="list-style-type: none"> - Due to the unexpected change in business, the company could not concentrate on continuing management improvement activities. 	
Satisfaction level for consultancy	Very satisfied in all the three fields. But it was unfortunate not to continue the activities, due to the external business condition.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company wants to have the business partners or investors in its business field. 	

Name of Enterprise: Match Electricals		Date: 14 th March 2017
Current business status	<ul style="list-style-type: none"> - Sales has increased by about 5%, due to the increase of the construction project, before the election. - The company has been expanding the production facilities. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. Every evening after the operation, 5S was implemented for 20 minutes. - By factory observation, it was confirmed that 5S and visual control were sustained to some extent. Especially, 5S at the storage house was implemented well (Seiri and Seiton). - Production space has been expanded. The ceiling crane (which was proposed to be equipped by KIBT-JICA team) has not been equipped yet.
	Marketing & Sales	<ul style="list-style-type: none"> - Based on the proposals by KIBT-JICA Team, the company applied the budget control by product. The new financial system was utilized for this purpose. The cost of materials has been monitored periodically. - The final report by the team was utilized for forming the strategic plan after the project.
	Financial Management	<ul style="list-style-type: none"> - New General Manager was hired in January 2017. He found the consultancy report provided by the KIBT-JICA Team very useful. Now the weekly meeting of senior managers is held every Monday morning (7:30-8:30), in order to discuss on management issues, as well as financial results. After the meeting, weekly meetings by departments are held. - In addition, once every month, the general staff meeting is held to share current status of the company. - The new financial system has been in operation. Utilizing it, management report, including cash flow and budget/result monitoring, is produced every week. Based on the report, the management issues are discussed in the weekly senior management meeting.
Impact	<ul style="list-style-type: none"> - The number of employees was increased from 50 in October 2015 to 80 in March 2017. - The storage house was completed. The new factory is under construction at the other site in Thika. It will be completed in May 2017. - Most of the managers (General Manager, Financial Manager, and Sales Managers) left from the company. The management was renewed, except the owner. 	
Satisfaction level for consultancy	Very satisfied in all the three fields.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to have the follow-up of on-site consultancy by the KIBT-JICA Team, in order to know whether the company is going to the right direction. - The company also requested to KIBT for providing the training for its employees on business management. 	

Name of Enterprise: Centrofood		Date: 23 rd March 2017
Current business status	<ul style="list-style-type: none"> - Sales has been stable in the current year. The competition is very tight. The company managed to keep the same level of sales amount, by developing new products, such as white and brown vinegar. - The company has been building the new building next to the current building since 2014. It will be completed in 2-3 months. Administration and sales departments will move to the new building. These spaces will be used for production. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. It was implemented throughout the factory. 5S is implemented every day and by all the workers. Due to the implementation of 5S, the workshops have been organized and the operations can be done easily and smoothly. - By factory observation, it was confirmed that 5S and visual control were sustained. The products and materials are set in order at production lines, as well as storage.
	Marketing & Sales	<ul style="list-style-type: none"> - Based on the proposals by KIBT-JICA Team, the company discussed with suppliers on a long-term contract with bargain price and capital participation. But they have not been agreed. However, since the starting of on-site consultancy in KIBT-JICA project, the company has become accustomed to having periodical communication with suppliers. - Taking the proposals into consideration, the company has developed new products, including white/brown vinegar. In addition, the company has been making the efforts for developing other new products.
	Financial Management	<ul style="list-style-type: none"> - Financial manager who worked with KIBT-JICA Team left the company. The new person in charge was allocated last February. The financial analysis tool which had been developed with the support of KIBT-JICA Team is not used now. - Since the resignation of the former manager, the financial report has not been produced periodically.
Impact	<ul style="list-style-type: none"> - The number of employees was the same in 2015 and 2017 (35). - The company has kept stable business result. The new office building will be completed in 2-3 months, as it has been scheduled. - The implementation of 5S changed the mindsets of the operators. Before the implementation, the workers didn't know what were correct to be done. After the implementation, the workers have got to know what they should do, and what they should not do. 	
Satisfaction level for consultancy	They are satisfied in all the three fields. The company understands the proposals suggested by the team were very useful. But they could not implement some of them, due to the resignation of the key staff. The president mentioned that it was all up to the management of the company that some of the activities were not sustained.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company also requested to KIBT for providing the training for its employees on business management. 	

Name of Enterprise: Turea LTD.		Date: 23 th Oct 2017
Current business status	<ul style="list-style-type: none"> - Sales have increased from 270Mil KES (2016) to 350 Mil KES (2017 until Oct). Despite the influence of repeat presidential elections, business is expanding by offering the best quality, price and marketing to people with problems of sleep. If there had been no re-elections, sales would have increased more (by about 20%). - A new store was open in Carrefour and it would upgrade the status of the company. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S is implemented every Saturday and cleaning is now done regularly. - The director set the standards for 5S so that employees can manage it themselves.
	Marketing & Sales	<ul style="list-style-type: none"> - The showroom staff reacted well to the marketing and sales consulting. Also, by submitting a report once a month, communication has become smooth and follow-up easier. The sales training provided by the KIBT-JICA team helped the development of the capacity of sales staff. - Based on the suggestion from KIBT-JICA Team, the company applied the push-style sales activity, more focusing on improving the relationship with the customer. In order that, the number of vehicles has also increased from 2 (2016) to 6 (2017). - The current issue is the structure of sales management. There is a lack of the marketing managers who can analyze customers' information and guide the sales staffs.
	Financial Management	<ul style="list-style-type: none"> - The company started an administrator meeting every Saturday. Periodic meetings have improved reporting and operations. - 5S at administration offices has been also continuously implemented every Saturday.
Impact	<ul style="list-style-type: none"> - People are able to solve their problem by themselves because of setting 5S standards. - The number of employees has increased by 22% from 98 (2016) to 120 (2017). - A new shop was open in Carrefour. - Due to the business success, the company built a new factory. - The biggest benefit was the organization in the factory. People improved operation and reporting, and got better access to goods and tools they use in their respective tasks. 	
Satisfaction level for consultancy	Yes, very satisfied in all the three fields.	
Requests to KIBT-JICA Project Team	The company wants to have more 5S consultancy and business training.	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Palmy Enterprises Limited		Date: 23th Oct 2017
Current business status	<ul style="list-style-type: none"> - Sales have increased from 32 Mil KES (2016) to 72 Mil KES (2017). - There were political influences which resulted in reduction of the public purchase volume from the existing customers (regional governments). But it was covered by expanding the sales in new regions. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. Twice a day people check 5S, before they start their work and after the work. - People began to manage their time better. The workshops were organized well and the transportation in the workshop became easier.
	Marketing & Sales	<ul style="list-style-type: none"> - Management strategy was established with the assistance of the KIBT-JICA Team. As part of the marketing strategy, the company expanded the geographical area to the eastern region like Kisii and Boito. It leads to the expansion of the sales. - People began to manage their time better. Before the consultancy by the KIBT-JICA Team, the sales staff was able to deal with only one customer a day, but now they can deal with several customers a day. - The company increased the number of sales staffs from 3(2016) to 6 (Oct 2017), this has strengthened sales management.
	Financial Management	<ul style="list-style-type: none"> - The company created a system that can monitor their financial status by using a new computer and systemized the invoices. Now they are able to know sales every morning. - The information on inventory is kept in the database. The company trained employees to understand how to use the new system. - The company can monitor the finance status more efficiently than before consultancy.
Impact	<ul style="list-style-type: none"> - Due to the business success, the number of employees has increased from 50 (2016) to 54 (2017) - Through the implementation of 5S as a company, the culture of working as a team was established. 	
Satisfaction level for consultancy	Very satisfied in all the three fields, especially FM.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company wants to enhance company policy and idea. - The company wants to have a 3-year strategic plan with receiving advice from consultants 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Hope Uniform		Date: 27th Oct 2017
Current business status	<ul style="list-style-type: none"> - Business has been expanding well. Sales have increased by 40% from 5,800 thousand KES in 2015/2016 to 8,000 thousand KES in 2016/2017. - The company has been badly affected by the political situation. Although the company is in a quiet period now, they are still accepting pre-sales for graduation ceremony. However, parents do not buy uniforms in a situation where they do not know what will happen in the future because of the unstable political situation after the repeat elections. - The number of permanent employees has increased from 7(2016) to 9 (Oct 2017). 	
Sustainability of management improvement activities	Production & Quality Management	Consultancy was not implemented.
	Marketing & Sales	<ul style="list-style-type: none"> - From on-site consultancy, the company learnt the segmentation of the customers. Initially, they planned to put efforts equally on 200 schools, but after the advice of KIBT-JICA consulting, they decided to make the segmentation of core customers. They focused on 50 schools, and they did polite correspondence and continued communication. As a result, the company received a very good reputation from their clients and established trust. This led to additional orders. - They started producing new items. The company started selling dust coats, bed sheets and bed covers as a new marketing strategy. They have clients that regularly order the new products.
	Financial Management	<ul style="list-style-type: none"> - The company introduced the system to regularly monitor their sales by scanning the bar code. The system also makes it possible to monitor the amount of inventory. - 5S has been maintained since the completion of the project. Every Saturday morning, 5S is implemented.
Impact	<ul style="list-style-type: none"> - The founder said that opening her eyes is the best impact. She noted she needs to improve more and she fixed the financial system and reconsidered the marketing strategy. - The head office is currently under construction for expansion to the double sizes. The company sets a management policy that it will focus on enhancing the functions of the head office rather than increasing the number of stores. - 	
Satisfaction level for consultancy	Very satisfied. Especially the company appreciated the ON-SITE consulting. There are only few consulting companies that come to the working place and give them adequate advices. The consultant team is dedicated and feels like they are a member of the Hope Uniform team.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to have follow-up of on-site consultancy by the KIBT-JICA Team, - The company would like to have a suggestion about suitable financial systems. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Colour Labels Ltd.		Date: 31 st Oct 2017
Current business status	<ul style="list-style-type: none"> - Business is slow in all aspect these days due to the presidential election. Due to the decrease of the demands of the customers, the company needed to decrease inventory amount and reduced the volume of goods produced. The working days were reduced, due to many national holidays related to the election. The company try to utilize this period for doing necessary preparation after the economic slump. - The number of employees has increased from 120 to 130 from Oct 2016 to Oct 2017. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. There was a resistance from the employees in the start. But they gradually understood the effectiveness of 5S. Now the staff check the level of 5S everyday by marking the 5S check list. - With the implementation of 5S, the company succeeded in creating new spaces (150m²) in the factory. The passages of the workshops were safely secured and the transportation became easier. The storage was organized better for finding necessary items easier. - The company has a production quality management meeting once every two weeks on Saturday.
	Marketing & Sales	<ul style="list-style-type: none"> - After on-site consultancy, the company started to have a training for new employees. - The company is planning to hire three more sales people because they understood the importance of closer contact to the customers for grasping the needs of the customers. They will be exclusively engaged in sales and marketing.
	Financial Management	<ul style="list-style-type: none"> - The company does analyze the finance every month. - The biggest change regarding Financial Management was to learn the proper way of ERP (Enterprise Resource Planning) with the assistance of the KIBT-JICA Team. By using ERP effectively, the company now can instantly know the necessary information from each system like the inventory management system, production management system, logistics management system and so on. As a result, the company became able to control wasteful inventory.
Impact	<ul style="list-style-type: none"> - Due to the consultancy, everything has become more systematic and organized. - The staff are getting more disciplined. They can work even without supervision from the directors and managers. - The company visited Ultravetis (another pilot enterprise) and learnt how they managed the workshops. - The number of employees has increased from 120 to 130 from Oct 2016 (before on-site consultancy) to Oct 2017 (after on-site consultancy). 	
Satisfaction level for consultancy	Very satisfied.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to have follow-up of on-site consultancy by the KIBT-JICA Team, 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Ultravetis		Date: 7 th Nov 2017
Current business status	<ul style="list-style-type: none"> - Sales have decreased from 816 Mil KES (2016) to 789 Mil KES (2017). - Business has been hit hard by drought and unstable political situation. Drought reduced animals that made sales of animals related products decrease. Also, due to the political situation, the company couldn't continue to produce several products - The number of employees has increased from 80 to 100 from Oct 2016 to Oct 2017, because the company expanded business. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - Based on the proposal by KIBT-JICA team, 15 Quality Control Circles were formed. 5S is implemented under the QCCs every day before the work starts. - By training the workflow based on the operation standards, operations were more organized. - Based on the proposal by KIBT-JICA team, the packing operations were examined and the wastes of operation were eliminated. As the result, the speed of packaging was improved. The company made production progress boards which can check the progress of each line three times a day. - By learning 5S, the mindset of staff was improved. They started cleaning the factory by themselves.
	Marketing & Sales	<ul style="list-style-type: none"> - One of the issues of the company was low profit rate, due to high dependence on imported raw materials. With the suggestion by KIBT-JICA team, the company launched new product development based on the market survey. As the result, 2 new products (a medicine that kills worms, and an insecticide with the materials made in Kenya) were developed. - Before the consultancy, the lack of inventory is one of the major issues. Based on the suggestion from KIBT-JICA Team, the company has improved the inventory management to monitor the inventory level and take the possible measures.
	Financial Management	<ul style="list-style-type: none"> - 5S has been maintained at administration offices. Everyday 5S is implemented. - Based on the template provided by KIBT-JICA team, the company has developed financial management system. Based on it, the financial report is issued in monthly basis which is used in the management meeting. The company has also developed the system which enables to check the stock level weekly as well as daily sales.
Impact	<ul style="list-style-type: none"> - One supervisor, who had attended the pilot training program on management skills by KIBT-JICA project, made the production plan with Gant Chart. It clarified the target and the gap between the plan and the actual status. It enabled the company to manage production plan effectively. - The company became able to make the plan of purchasing suitable materials and market than before. - The biggest benefit was the improvement of time management. The staff start to think that they don't want to waste time. They began to manage their schedule by themselves. - The company built a new building with 5th stores in July of this year. 	
Satisfaction level for consultancy	Yes, very satisfied.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to learn more quality management and the introduction of skill map. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Plast Packaging Industries LTD		Date: 8 th Nov 2017
Current business status	<ul style="list-style-type: none"> - Business is going well by improving their efficiency. There are few competitors for this company, since the company focus on the SMEs as its customers. - Originally there were many orders but the company could not take on all of them, due to the production capacity. However, since the production efficiency has improved by 5S, they can now accept more orders than before. - The number of employees has increased from 150 to 183 from 2016 to 2017. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. After on-site consultancy, they started a PQM department meeting. It has been held once a week every Saturday morning. - Once a month the company receives an external audit from Africinvest (a private financial institution). It checks inventories and machine efficiency. - Due to the consultancy, the time management was improved. The company emphasizes on time management in the weekly meeting. - The company started to implement monthly preventive maintenance activity.
	Marketing & Sales	On-site consultancy has been implemented in the 3 rd year.
	Financial Management	On-site consultancy has been implemented in the 3 rd year.
Impact	<ul style="list-style-type: none"> - The biggest benefit is the improvement in the communication between the production department and the engineering department, mainly in charge of maintenance of the factory. Before, sometimes engineering department planned something different from what the production department planed. Now they have good communication and agreement on what to do. - One of the major impacts was in the organization of storage. The employees started to arrange their items in order. Now they can find everything much easier than before. - Preparation before stopping the machine also gave us another impact. In the past, the preparation was not enough in advance, so there was a lot of machine downtime before the workers started the operation of the machine. Based on the advice of the KIBT-JICA Team, the workers started to prepare it in advance, and work efficiency was improved. 	
Satisfaction level for consultancy	Yes, very satisfied.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to learn more KAIZEN not only 5S but also other KAIZEN methods. - The company would like to attend a management training for owner, if KIBT-JICA held it. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Balm Industries LTD		Date: 15 th Nov 2017
Current business status	<ul style="list-style-type: none"> - Business has been expanding well these days. Especially the sales in September this year was good. Sales have increased by 20% from 3.2 million KES in Sep.2016 to 3.9 million KES in Sep.2017. - In fact, the business result of the company was affected by politics. There was a period that they could not work for a week both in August and October 2017, due to the effect of repeat elections - A 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - 5S has been maintained since the completion of the project. However, the company had not decided the date when to start implementing 5S, so they will regularly check 5S from now on. - The space was saved by 5S activity. It became easier to find necessary product items from the inventory. - The operation flow has been better.
	Marketing & Sales	<ul style="list-style-type: none"> - The company increased sales by changing marketing strategies. After on-site consultancy, the company changed the main target from middle class to low class. They put more effort on the low-priced brands like "Bamsi" and "Baby Love" than ever before. It has started to sell those items specifically to the low-income areas such as Eastland. - This strategy succeeded and led to sales growth in September 2017. - The company employed three new sales staff to enhance sales activities especially in Nairobi.
	Financial Management	<ul style="list-style-type: none"> - Based on the advice of the KIBT-JICA Team, the company screened products with good performance and bad performance, and they succeeded in leaving only good products with good performance. It helped to reduce costs and increase profit margins. - In addition, by using the template provided by KIBT-JICA Team, the company became able to trace sales trend and conduct profit analysis easily. - There is a problem that no one is in charge of the financial management now. The wife of the director was scheduled to be in charge of the financial management, however for some reason she could not join the company. The director is currently managing all of it. The director said he will hire someone like a financial manager or a clerk to help him in the near future.
Impact	<ul style="list-style-type: none"> - Due to the consultancy, everything has become more systematic and organized. - The number of employees has increased from 20 to 25 from 2016 to 2017. 	
Satisfaction level for consultancy	Yes, very much. But the director suggests that there is a room of improving practical capability of KIBT consultants for providing better advices based on the actual circumstances of each company.	
Requests to KIBT-JICA Project Team	<ul style="list-style-type: none"> - The company would like to have follow-up of on-site consultancy by the KIBT-JICA Team, 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

[3rd Year]

Name of Enterprise: Chui Auto Springs Industries		Date: 4th Oct 2018
Current business status	<ul style="list-style-type: none"> - Business has been expanding well. The sales from January to June 2018 (for half a year) was 140 million KES. Since total sales amount was 250 million KES last year, it is expected that this year sales will exceed last year. - The number of employees is 70. It has not changed since last year and all employers are permanent employees. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - The company has continued implementation of 5S. In each section, they clean and check 5S for 10 to 15 minutes on Wednesday and Saturday morning. The factory manager is mainly in charge of this. - The KIBT-JICA team conducted 5S training for all staff. The factory manager is teaching and training staffs based on it.
	Marketing & Sales	<ul style="list-style-type: none"> - The company has increased the number of sales staffs from 2 to 3 to strengthen the relationship with existing customers. The sales manager is planning to add another salesperson in the near future. - Developing its export business to the East African Community (EAC) is one of the company's policy and it is expanding steadily. They already started distributing their products to Burundi this April and Tanzania this September. Also, they plan to export to Uganda next year.
	Financial Management	<ul style="list-style-type: none"> - The finance reporting template that was taught by KIBT-JICA team has been used well. - The finance department has introduced regular meeting with using the finance report. After this regular meeting, the financial manager shares that information to the directors of all the departments. - With regard to inventory management, previously the company took inventory once a year, but now they started to take inventory once every three months.
Impact	<ul style="list-style-type: none"> - The efficiency of staff is the biggest change. - The company has a better layout which has shorten the process in all sectors. - The staff were able to maintain tidiness and find things easily. 	
Satisfaction level for consultancy	Definitely yes.	
Challenges for business development and supports needed	<ul style="list-style-type: none"> - The economy and politics is always a challenge for business development. According to the company, the government is not spending money for the economy these days. The shipping costs have increased a lot due to the soaring gasoline cost. The delay of containers at port is also a problem. Extra shipping costs are added for the delay, but Kenya Port Authority does not cover the delay. - The company currently doesn't have a business plan. The business plan training is exactly what they wanted. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Plast Packaging Industries LTD		Date: 15th Oct 2018
Current business status	<ul style="list-style-type: none"> - Business has been expanding well. Sales has increased 50million KES from 2017 to 2018 (January to September). - This company is also focusing on expanding business overseas. Currently they are developing business in Tanzania, Burundi and Rwanda. The export ratio is as much as 20% of the total sales. - The number of employees was increased from 120 (2017) to 137 (Oct 2018). They are all permanent employees. 	
Sustainability of management improvement activities	Production & Quality Management	On-site consultancy was implemented in the 2 nd year.
	Marketing & Sales	<ul style="list-style-type: none"> - The company were able to implement Customer Relationship Management System. On Customer Relationship Management System, the KIBT-JICA team focused on client follow-ups such as making calls, sending Emails etc. Before the consulting, they had not done such a follow-up. - They were able to segment their markets and divide sales force according to the competency of each staff. - They were able to do a SWOT analysis of the company. - Now they understand customer needs and package their products according to the customer needs.
	Financial Management	<ul style="list-style-type: none"> - The finance department introduced the creation of monthly management reports. Monthly reports are now prepared after which the finance manager attends a monthly meeting with the directors and discuss the report into depth. Monthly reports have enhanced that all the postings and ledgers were up to date and errors are discovered / corrected early. - After analyzing their several years reports with the help of KIBT-JICA team, they realized that there was an over investment in machines, thus the analysis helped the directors plan and make decisions. - The finance reporting template has also been very useful in testing the accuracy of data.
Impact	<ul style="list-style-type: none"> - Improvement in financial management was the biggest impact. The company were able to analyze the product cost. They established the position of the cost accountant and allocated an employee. He succeeded in reducing the product cost by checking the cost carefully. Reducing the cost contributed to the increase in profit greatly. - Impact of consulting does not go to only the departments of sales / financial management, but also HR department. They were able to reduce manpower wastage and cost after carrying out a manpower audit across the organization. 	
Satisfaction level for consultancy	Very satisfied. Especially the company appreciated the On-Site consulting. The director herself had the knowledge of finance and business management, but it was difficult to share this knowledge to all the employees. In on-site consulting, KIBT-JICA team taught our employees directly and they became to have necessary knowledge. It helped them to grow together.	
Challenges for business development and supports needed	<ul style="list-style-type: none"> - Although this company is developing its export business steadily, they think that there are some obstacles to go to the next stage. For example, they don't know how to make an overseas branch. They also want to make more connection with foreign companies and investors. - The director suggested us two training sessions. One is "how to grow the company to go to the next stage for Africa's CEO." This is a training for CEO who wants to extend business to outside country. The other is "To be invest for ready", which is for African CEO who started business. To develop a strategic plan is included. The director said that it is may not for her company but it is useful for young company and it will help to develop the Kenya economy. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Thika Cloth Mills		Date: 23 rd Nov 2018
Current business status	<ul style="list-style-type: none"> - Comparing with extraordinary demand in 2017 due to the needs for garment products for the campaign in the presidential election, the business became normal and sales have decreased relatively. - The number of employees is 650. It has increased from 600, when the consultancy started. It is actually fluctuating according to the workloads based on the market. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - The company has continued implementation of 5S since the completion of the OSC. 5S activity is continuously implemented by all the staff (managers and workers). - 3 staff were selected per department as the member of the 5S audit and the audit was implemented once a month. All the audit members gather once a month and exchanges the results of the audit. The audit members also join 5S audit in the different departments for exchanging the view and learning from the practices in other departments. - Based on the proposal by KIBT-JICA team, the stocks were analyzed and classified. The stocks classified as dead stocks were sold and disposed. It created the spaces available. - The introduction of FIFO was proposed by KIBT-JICA, but it has not been implemented yet, due to the limitation of the spaces and difficulty of handling garment materials.
	Marketing & Sales	On-site consultancy was not implemented in this field.
	Financial Management	On-site consultancy was not implemented in this field,
Impact	<ul style="list-style-type: none"> - The attitude of workers has been changed, due to the practice of 5S. All the employees were involved in 5S and good housekeeping culture was established. - Inventory became able to be controlled properly and wastes of inventories were reduced 	
Satisfaction level for consultancy	The activity was excellent and we are satisfied with the result. 5S and KAIZEN activities has not resulted in the increase of sales, but it was not the objective, since the sales mainly depend on the market trend. To practice and implement such activities enhance the capacity of the organization.	
Challenges for business development and supports needed	<ul style="list-style-type: none"> - The governmental supplies are often procured by foreign supplies, not by domestic suppliers. The policy for institutional order should be made. - TCM needs the finance for updating / modernizing the machineries and equipment. The company applied the loan to the SUNREF (Sustainable Use of Natural Resources and Environmental Finance) Program assisted by the government of France through KAM (Kenya Association of Manufacturers) and CBA (Commercial Bank of Africa) in purchasing the equipment for energy saving. It was better condition than the ones which other commercial banks offered. It is good to have other financial sources which provides the loans in better conditions. *https://www.sunref.org/en/projet/banking-on-new-technology-to-modernize-textile-firm-and-expand-capacity-2/ - Training programs, such as production and quality management, textile technology, new product development, marketing & sales, are needed to enhance the capacities of the employees. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Kenya Coach Industries		Date: 28 rd Nov 2018
Current business status	<ul style="list-style-type: none"> - Sales in 2017/2018 was decreased to 2.1 Billion KES, comparing to 2.6 Billion KES in 2016/2017, due to the drastic changes in the market. The company is now struggling with tight regulations and increase of VAT. - 50% of production (mainly production of trucks) was transferred to the new factory. The productivity will increase when all the operations are transferred to the new factory. - The number of employees is 300. It has increased from 150, when the consultancy started. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - The company has continued implementation of 5S since the completion of the OSC. 5S is monitored every day. 5S meeting is held every week throughout the factory and 'Weekly Cleanliness Champion' is selected. - The storage of the new factory is well arranged by 5S and visual control. The pathways in the factory is kept clean and are colored for separation.
	Marketing & Sales	<ul style="list-style-type: none"> - Most of the sales staff was replaced. The company has 5 sales staff, but plans to increase number of the sales staff in younger age, since the increase of the sales is crucial for the company. - The company applied some of the proposals made by KIBT-JICA team. However, these have not created actual business results in the short term.
	Financial Management	<ul style="list-style-type: none"> - The template proposed by KIBT-JICA team was very useful. With the tool, the company can easily monitor the Key Performance Indicators (such as BEP) and produce monthly financial report. This enables us to make management decision very easily. - Based on the proposal by KIBT-JICA team, the idea of reverse budget (making the medium-term budget first and specifying the annual budget required) was applied. It is the appropriate concept to manage the business in the longer span of the time.
Impact	<ul style="list-style-type: none"> - For the company, the financial year 2017-2018 was the transition period to move from old factory to new factory. By introduction of 5S, good work habit was established and it was transferred to the new factory. Based on the factory observation, the new factory looks organized and the cleanliness has been kept easily. - By improving the financial management, the company can easily monitor the business result and specify the key management issues to be solved. Now the sales increase is crucial and we are planning to enhance the sales force. 	
Satisfaction level for consultancy	Satisfactory. Especially, the activities on Production/Quality Management and Financial Management improved the capabilities of the company.	
Challenges for business development and supports needed	<ul style="list-style-type: none"> - The on-site consultancy by JICA expert team should be implemented for longer period. One year is not enough period to secure that the activities create the results. Especially, the activities related to Marketing & Sales might take much longer time to capture the results. 	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Branan Flowers		Date: 25th Feb 2019
Current business status	<ul style="list-style-type: none"> - Business was in a severe situation in 2018. The sales in 2017 was 36 million KES, but it decreased to 32 million KES in 2018. - There were two main reasons why their sales declined. One was due to the climate change in Europe. Europe was hit by a heat wave last year. The demand for roses during the hot season decreased. Another reason was due to the heavy rain in Kenya. Last year it rained more than usual from May to August in Kenya. It is difficult to maintain the good quality of roses during wet weather conditions. - The number of employees also decreased from 472 in 2017 to 412 in February 2019. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - The company proceeded with the implementation of 5S. - The company is continuously implementing 5S on a daily basis through all processes that includes green house, pack house, office and more. - Productivity at pack house has increased greatly. Things are currently being set up properly. Staffs become able to understand where things are, and how they are able to work efficiently.
	Marketing & Sales	<ul style="list-style-type: none"> - The company created the Mid-Term Marketing Plan with the help of KIBT-JICA team. In this Mid-Term Marketing Plan, developing the new market in Europe and Middle East is one of our main topics. the company understand that having low-priced products is necessary to compete against a very reasonable supermarket price developed by Germany in Europe. - According to the proposal by KIBT-JICA team, the company has hired a sales coordinator. The sales coordinator maintains the communication with customers, confirm orders and provide products. Because of setting up this new position, the farm manager is able to focus in creating new products. - The variety of roses increased from 15 items in 2017 to 19 items in February 2019.
	Financial Management	<ul style="list-style-type: none"> - The farm appreciated KIBT-JICA team's analyzation of their company. Since, the company has already been using a good financial system and wanted to keep it that way, they didn't use the financial system which KIBT-JICA team introduced to them.
Impact	The implementation of 5S is a big achievement.	
Satisfaction level for consultancy	The company is satisfied with our consulting services. However, it was not as much as what they had expected. The company were expecting a lot from the KIBT-JICA team such as, changing the structure of the company, making a paradigm shift within the company. In addition, it would have been better if there had been an expert in KIBT-JICA team who had knowledge in the flower industry.	
Challenges for business development and supports needed	Currently, there are two challenges for the company. One is to develop new market and another is to reduce the cost of doing business which increases every day. In Kenya, labor costs are rising every year. On the other hand, European consumer seeks reasonable products. Demand will be lower if they increase the price of the flowers.	

[Appendix 7] Result of On-site Consultancy Impact Survey- Pilot Enterprises in the 3 years

Name of Enterprise: Welding Alloys LTD.		Date: 5th March 2019
Current business status	<ul style="list-style-type: none"> - Business has been expanding well. The sales increased 12%~15% in 2018 compared to 2017. - The number of employees is 100. It has not changed since last year. 	
Sustainability of management improvement activities	Production & Quality Management	<ul style="list-style-type: none"> - During the JICA-KIBT consultation, the company appointed 8 people as 5S experts to supervise staffs. It maintains this position of 5S expert and now 5 staffs are working as 5S experts.
	Marketing & Sales	<ul style="list-style-type: none"> - During the JICA-KIBT consultation, the high staff turnover rate of sales was a problem. Although the company received the proposal by KIBT-JICA team, it could not implement them all, due to the departure of the sales manager. Currently, the turnover is stable. The company has hired two new sales staff to improve marketing. They will consider to apply the proposals. - The company has become a member of the Kenya Association of Manufacturers (KAM) to counter the threat of Chinese market entry.
	Financial Management	<ul style="list-style-type: none"> - Before the on-site consultancy, the company had good financial management and analysis. So, the financial reporting template which was presented by KIBT-JICA team was not used. However, the company improved their reporting system by referring JICA – KIBT reporting template. - Communication between senior managers and financial staff was improved. - The company keeps implementing 5S of finance department too. It is doing housekeeping well and organized accounting documents neatly.
Impact	Implementation of 5S in all department made a big impact. The way which staff does operation became efficient. It saves a lot of time by finding tools and materials quickly.	
Satisfaction level for consultancy	Yes, quite happy, especially financial management field.	
Challenges for business development and supports needed	The company hired two new sales staffs recently, but the director feels that they don't have enough confidence. The company currently doesn't have a good training system for sales people. The training of the sale staff for make them be confident is a challenge.	

Name of Enterprise: Miyonga Fresh Greens		Date: 7th March 2019
Current business status	<ul style="list-style-type: none"> - The company is under complicated circumstances. Sales increased from 20 million KES to 25 million from 2017 to 2018. However, they lost about 10 million KES profit, because of products that were being returned due to quality issues. - The number of permanent employees were decreased from 9 in 2017 to 6 in March of 2019. 	
Sustainability of management improvement activities	Production & Quality Management	Due to the unstable production activities, on-site consultancy in this field was stopped in March 2018
	Marketing & Sales	<ul style="list-style-type: none"> - KIBT-JICA team taught the company how to file the documents based on 5S, and they continued doing it. It helped them to manage information and to know the profit and loss of individual companies. - Due to the sales training provided by KIBT-JICA team, the company improved its negotiation skills in marketing partners so that they could get new customers. - KIBT-KIBT team refined the marketing plan. As a result, the staff of the company understood what customer retention and geographical features were. Now, they focus on high potential customers in Netherlands, Germany, Sweden, Norway, Romania and Spain. - The company was also able to get customers from other areas and received new orders.
	Financial Management	<ul style="list-style-type: none"> - The finance reporting template that had been introduced by KIBT-JICA team was partly used because they had already used other formats. However, the company did use the concept of the finance reporting. The company was able to understand the breakeven point and they knew which products were most profitable. Now the company is trying to develop a breakeven analysis of the various products to understand the relationship between fixed costs, variable costs and sales volumes by the end of April. - During the consultation, the company decided to outsource the calculation of monthly settlements and recruit accountants because they understood the importance of financial management. - Now the company is advancing the introduction of the new accounting software, called Sage Math (SAGE).
Impact	Financial management is the biggest impact. It influenced various parts of management of the company.	
Satisfaction level for consultancy	Yes, more than satisfactory. The Director said KIBT-JICA team was very committed. They had excellent skills and their consulting services were very practical.	
Challenges for business development and supports needed	<ul style="list-style-type: none"> - The weakness of the company is the lack of processing facility pack house and cold-room. It is one of reason that caused quality problems. - It also wants to develop tracking system of containers which transport the products. - The company also needs the support for obtaining Certification of Global G.A.P. and GRASP for the access to target markets. 	

**MINUTES OF THE FIRST JOINT COORDINATING COMMITTEE (JCC) MEETING
OF JICA PROJECT ON HUMAN RESOURCE DEVELOPMENT FOR INDUSTRIAL
DEVELOPMENT IN THE REPUBLIC OF KENYA HELD AT THE MINISTRY OF EAST
AFRICAN AFFAIRS, COMMERCE AND TOURISM BOARDROOM ON TUESDAY
13TH OCTOBER 2015**

Present

- | | | |
|-------------------------|---|---|
| 1. Stephen K. Kirui | - | Director, Kenya Institute of Business Training - Chairing |
| 2. Ms. Keiko Sano | - | Chief Representative JICA Kenya Office |
| 3. Toshiyuki Machida | - | Embassy of Japan, Kenya |
| 4. Atsuhiko Naoe | - | Executive Director, Japan External Trade Organization
(JETRO) Nairobi Office |
| 5. Kiyonori Matsushima | - | JICA Kenya Office |
| 6. Anne Olubendi | - | -JICA Kenya Office |
| 7. Koji Noda | - | JICA Kenya Office |
| 8. Wachinga S. Gikonyo | - | D/Director Kenya Institute of Business Training |
| 9. Joseph Mbatia | - | Micro and Small Enterprise Authority |
| 10. Purity W. Kamau | - | Productivity Centre of Kenya |
| 11. James Maru | - | Ministry of Labour, Social Security and Services |
| 12. Florence Suji | - | Toyota Kenya Academy |
| 13. Gofrey K. Maina | - | Kenya National Chamber of Commerce & Industry |
| 14. Takeshi Fujita | - | Leader, JICA Expert Team |
| 15. Yoshihiro Takeguchi | - | JICA Expert Team |
| 16. Yoshihiro Aoumi | - | JICA Expert Team |
| 17. Natsuko Ueno | - | JICA Expert Team |
| 18. Nelson K. Gaitho | - | Kenya Institute of Business Training –Taking minutes |

Apologies

1. Kenya Private Sector Alliance (KEPSA)
2. Ministry of Industrialization and Enterprise Development

Agenda:

1. Welcome Remark by Chairperson, Ministry of East African Affairs, Commerce and Tourism (Dr. Ibrahim M. Mohamed, Principal Secretary)
2. Remark by JICA Kenya Office (Ms. Keiko Sano, Chief Representative)
3. Introduction of the JCC members (Chairman)
4. Outline of project implementation plan (Mr. Fujita, Leader, JICA Expert Team)
5. Current progress of the activities (Mr. Nelson Gaitho, Project Coordinator, Principal Lecturer, KIBT)
6. Discussions
7. Way forward
8. Any other business
9. Chairman's closing remarks

Min. 1/13/10/15: Chairman's Welcoming Remarks

- The Chairman, Mr. Stephen Kirui, Director Kenya Institute of Business Training called the meeting to order at 10.25am and welcomed all those present. He apologized on behalf of the Ministry for starting the meeting late.
- He conveyed apologies from the Principal Secretary, State Department of Commerce and Tourism, Ministry of East African Affairs, Commerce and Tourism Dr. Ibrahim M. Mohamed. Those in attendance were asked to introduce themselves.
- Felt privileged and honored on behalf of the Ministry of East African Affairs, Commerce and Tourism to have the new JICA Kenya office chief representative Ms. Keiko Sano.
- Expressed his pleasure of being with the JCC members during this very important first Joint Coordination Committee Meeting for the Human Resource Development for Industrial Development Project.
- Said that improving the SME sectors productivity and innovation through human resource capacity building is an important ingredient as the pivot around which industrial development will revolve if Kenya is to realize its long term vision of becoming a middle income country by the year 2030.
- Noted that the Human Resource Development for Industrial Development project aims at enhancing business performance of SMEs with the ultimate aim of making them more competitive in both domestic and international arena with the end results being a stronger Kenyan economy.
- Thanked all for honoring the invitation as stakeholders to be collaborating members of the Joint Coordinating Committee (JCC) adding that the committee will play the role of a governing body to the project and will be meeting at least once a year during the three period of the project. Member's invaluable inputs are welcome for effective project implementation.
- Appreciated the collaboration the Ministry has had with JICA over the years since it is in line with its mission to facilitate access to markets through development and promotion of commerce, tourism and regional integration.
- Pledged unwavering support by the Ministry to JICA and all the other agencies involved in implementing the project.
- Noted that the success of the project will depend on input from members of the JCC as stakeholders from both the public and private sectors. All members' ideas will therefore be taken in good faith.

Min. 2/13/10/15: Remarks by JICA Kenya Office Chief Representative Ms. Keiko Sano

- She expressed her pleasure on behalf of JICA and herself being part of in this inaugural Joint Coordination Committee meeting for the Project on Human Resource Development for Industrial Development in Kenya.
- Appreciated the Ministry of East African Affairs, Commerce and Tourism for not only hosting this JCC, but also for the continuous cooperation with JICA and thanked Kenya Institute of Business Training for facilitating the preparations towards the JCC meeting.
- Said that JICA is pleased to be associated with the implementation of this project which is instrumental in contributing towards the transformation of the socio economic landscape of Kenya.
- Emphasized that the development of human resource of SMEs in Kenya will greatly enhance the competitiveness of SMEs and eventually lead to the increase in employment, one of the key objectives of Kenya's Vision 2030 adding that the project aims at enhancing the capacity of SMEs in Kenya through improving the quality of training and consultancy provided by KIBT.
- Said that KIBT was selected as the implementing agency for the Project on Human Resource Development for Industrial Development due to the experience it gained in the past Project on Trade Training Program for SME Exporters.
- Underscored uniqueness of this project is that apart from covering production and quality management like the other JICA KAIZEN projects in Africa, it also covers other main management areas, such as marketing/sales and financial management.
- Highlighted the strides of the project so far being the selection 10 master trainer candidates from among KIBT lecturers, selection of six (6) pilot enterprises for the first year, On-site consultancy and ongoing arrangements for training of the master trainers through Classroom Training
- Appreciated the collaboration received from other JCC members such as Ministry of Industrialization and Enterprise Development, Kenya Private Sector Alliance, Kenya National Chamber of Commerce & Industry, Productivity Centre of Kenya, JETRO Nairobi Office and Toyota Kenya during the process of selecting the pilot enterprises.
- Underscored that the achievements of this project will be presented to the heads of the nations from all over Africa at the 6th Tokyo International Conference for African Development (TICAD VI) that will be hosted by Kenya next year 2016.
- Emphasized that support and active collaboration amongst respective stakeholders is paramount in bringing this project to its successful completion.

Min. 3/13/10/15: Introduction of the JCC members (Chairman)

The chairman introduced the following JCC members:

- Ministry of Industrialization and Enterprise Development
- Ministry of Labour, Social Security and Services
- Kenya Private Sector Alliance (KEPSA)
- Kenya National Chamber of Commerce and Industry (KNCCI)
- Micro and Small Enterprise Authority (MSEA)
- Kenya Industrial Research and Development Institute (KIRDI)
- Productivity Centre of Kenya (PCK)

He also recognized the presence of the following observers:-

- Toyota Kenya Academy (TKA)
- Japan External Trade Organization (JETRO)
- Embassy of Japan-Kenya

JICA Expert Team:-

- Takeshi Fujita (Mr) - Leader / Collaboration Promotion / General Business Skill
- Takao Hayashi (Mr) - Production & Quality Management (Already left for Japan)
- Yoshihiro Aoumi (Mr) - Management Strategy /Marketing and Sales
- Yoshihiro Takeguchi (Mr) - Financial Management
- Natsuko Ueno (Ms) - Coordinator/ Management of Training Component
- Shu Nakajima (Mr) - Public Relations (To arrive next year)

JICA Kenya Office

- Ms. Keiko Sano
- Mr. Kiyonori Matsushima
- Ms. Anne Olubendi
- Mr. Koji Noda

KIBT Team

- Mr. Simon Wachinga
- Mr. Nelson Gaitho

Min. 4/13/10/15: Outline Of The Project Work Plan by Mr. Fujita, Leader, JICA Expert Team)

- **[Overall Goal]**
Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.
Objectively Verifiable Indicators
 - i. Real sales value is increased by 10% per year.
 - ii. More than 100 SMEs are provided consultancy services

- **[Project Purpose]**
Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.
Objectively Verifiable Indicators
 - i. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.
 - ii. “The new training and consultancy programs” developed in the Project becomes one of the regular training program of KIBT.
- **[Outputs]**
 - i. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.
Objectively Verifiable Indicators
 - 1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed.
 - 1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project.
 - 1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.
 - ii. KIBT lecturers for the new training and consultancy programs for SMEs are empowered.
Objectively Verifiable Indicators
 - 2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers.
 - 2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.
 - iii. Indications to show business performance improvement at selected pilot enterprises are found.
Objectively Verifiable Indicators
 - 3-1. 5S is practiced by all pilot enterprises.
 - 3-2. Waste in operation per pilot enterprise is reduced by 20% on average.
 - 3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.
- **[Duration]** September 2015 – August 2018
- **[Project Site]** Nairobi and surrounding areas
- **[Project Implementing Agency]**
Kenya Institute of Business Training (KIBT)
- **[Ministry in charge]**
Ministry of East African Affairs, Commerce and Tourism (MEAAC&T)
- **[Related Ministries]**

Ministry of Industrialization and Enterprise Development (MIED)
Ministry of Labour, Social Security and Services (MLSSS)

- **[Relationship with Collaborators]**

- A. Recommendation of candidates for pilot enterprises*

- i. Productivity Centre of Kenya (PCK)
 - ii. Ministry of Industry and Enterprise Development
 - iii. Export Processing Zones Authority (EPZA)

- B. Recommendation of candidates for pilot enterprises (Japanese suppliers or Japanese dealers)*

- i. JETRO Nairobi Office
 - ii. Japanese Enterprises
 - iii. Toyota Kenya Academy

- C. Other collaborators*

- i. Kenya Industrial Training Institute (KITI) – To consider training KITI lecturers on production and quality management in the second or the third year.
 - ii. Kenya Industrial Research Institute (KIRDI) – Provision of manufacturing and product development technology services to the pilot firms.
 - iii. Jomo Kenyatta University of Agriculture and Technology (JKUAT) - collaboration activities will be studied after the 2nd On-Site Work in Kenya.

- **[Training of Master Trainer Candidates]**

Before the master trainer candidates are certified as master trainers, they will require hands-on experience in on-site consultancy, attend classroom training and undergo the first, second and final assessment.

Criteria of assessment

- A. Knowledge assessment
- B. Skill assessment
- C. Personality assessment
- D. Consultancy activity assessment

- **[On-site Consultancy on the the Pilot Enterprises]**

Basically 6 pilot enterprises are selected in every year. On-site consultancy in the three fields will be implemented in all of the 6 enterprises. 2 or 3 companies would be the suppliers or the dealers for Japanese related enterprises.

Priority: “food and agro processing”, “textile”, “automotive engineering” and “furniture/metal works” Basically selected among SMEs (From 15 to less than 100 employees. 300 employees at most)

Located in or around Nairobi (including Thika and Athi River).

- **[Selection Criteria of the Pilot Enterprises]**

- i. Commitment of top executives (expectation, cooperation and motivation)
 - ii. Setting management improvement themes in which the tangible results could be created during the pilot activity

- iii. Allocation of adequate human resource (1 or 2 person) in charge of receiving pilot activities
 - iv. Stability of business performance (which enables to conduct the on-site consultancy continuously)
 - v. Cooperation in the provision of management data and agreement for publicity of pilot activities
 - vi. Provision of equipment for conducting the training, such as providing meeting space
 - vii. Permission to take photos and videos for the on-site consultancy
 - viii. Cooperation of managers and employees on implementation of management improvement activities
 - ix. Past record or potentiality on exporting or dealing with foreign enterprises (this is a priority condition)
- **[Expected Benefits to the Pilot Enterprises]**
Improvement in the areas of :-
 - i. Production and quality
 - ii. Marketing and sales
 - iii. Financial management
- **[Management of on-site consultancy for pilot enterprises and dissemination of the results]**
 - i. Pilot consultancy baseline survey to be conducted at the beginning of the consultancy period on the pilot enterprises
 - ii. Pilot consultancy completion survey to be conducted at the end of the consultancy period on the pilot enterprises
 - iii. Pilot consultancy impact survey to be conducted six (6) months after completion of pilot consultancy.
 - iv. Training/consultancy implementing organization survey to be carried out at the end of the project period (June 2018)
 - v. Result-Dissemination Seminars (once at the end of each year)
 - vi. Development of materials
 - DVD with the results of on-site consultancy in pilot enterprises
 - Booklets on the methods for improving management of SMEs
 - Dissemination of the results of the project through media
- **[Training Programs in Japan and a Third Country]**
 - i. Training in Japan for master trainer - 9 master trainers who fulfill the achievement indicators will be trained for 2 weeks in September 2016

- ii. Training in a Third Country for trainer - 9 trainers who fulfill the achievement indicators will be trained in Malaysia for 2 weeks in January 2018
- iii. The objective of the training is to enhance practical capacities of the master trainers or trainers on consultancy

- **[Staff plan]**

During the three year project period, the Japanese experts will travel to Kenya nine times with each stay being an average of about two months. The expert in charge of public relations will however be in Kenya three times spread over the three year period with each stay being about one month.

Min. 5/13/10/15: Outline of the first Activities in Kenya by Nelson Gaitho-Coordinator KIBT

- **JICA Experts and Duration of Their Stays in Kenya**

Name	Role	Duration
Takeshi Fujita (Mr)	Leader / Collaboration Promotion / General Business Skill	ARR 2015/9/6 DEP 2015/10/15
Takao Hayashi (Mr)	Production & Quality Management	ARR 2015/9/6 DEP 2015/10/7
Yoshihiro Aoumi (Mr)	Management Strategy /Marketing and Sales	ARR 2015/9/6 DEP 2015/11/7
Yoshihiro Takeguchi (Mr)	Financial Management	ARR 2015/9/6 DEP 2015/10/24
Natsuko Ueno (Ms)	Coordinator/ Management of Training Component	ARR 2015/9/6 DEP 2015/11/7
Shu Nakajima (Mr)	Public Relations	—

- **[Overall Activities]**

- i. Explain the work plan to MEAAC&T and KIBT, and revise as necessary
- ii. Explain the outline of the project to related ministries and organizations
- iii. Hold Kick-Off Meeting with KIBT
- iv. Hold the 1st Joint Coordinating Committee

- **[Output 1] Establishment of an implementation mechanism for continuously providing new business service**
 - i. Study the needs of the stakeholders/clients
 - ii. Make the activity plan of the project
 - iii. Establish the implementing mechanism of the project (Weekly Meeting between KIBT Director/Coordinators and JICA Expert Team, Weekly Meeting per Technical Field)
 - iv. Develop the materials for classroom training
 - v. Request other training institutes for cooperation activities
- **[Output 2] Training of KIBT lecturers as master trainers and trainers**
 - i. Select 10 master trainer candidates
 - ii. Set measureable indicators for master trainers
 - iii. Conduct self-assessment on skill map
 - iv. Conduct the classroom training on “management strategy and marketing/sales”(8 days from 26th October – 4th November, 2015)
- **Selected Master Trainer Candidates**

The following KIBT lecturers have been selected as Master Trainer Candidates after going through an interview process:-

i.	Ms. Carol Choge	-	P&Q Mgt.
ii.	Mr. Gideon Njogu*	-	P&Q Mgt.
iii.	Mr. Musa Okwemba	-	P&Q Mgt.
iv.	Ms. Sylvia Kaburu*	-	Marketing & Sales
v.	Mr. Jonathan Njogu	-	Marketing & Sales
vi.	Ms. Pamela Onyango	-	Marketing & Sales
vii.	Mr. David Owitti	-	Marketing & Sales
viii.	Mr. Samuel Mulei*	-	Financial Mgt.
ix.	Mr. Job Ogolah	-	Financial Mgt.
x.	Mr. Daniel Wechesa	-	Financial Mgt.

*Coordinator of each field

- **[Output 3] Management of on-site consultancy for pilot enterprises and dissemination of the results**
 - i. Select at least 6 pilot enterprises per year
 - ii. Decide the procedure of implementing On-Site Consultancy
 - Weekly Meeting of the Field (3 Fields)
 - Finalizing the format of Consultancy Report and Case Sheet
 - Consultation Experience Sharing Workshop (monthly)
 - iii. Start on-site consultancy at pilot enterprises
 - Conduct a baseline survey for measuring the achievement of on-site consultancy

- **Selection of Pilot enterprises for 1st Year**

The following firms were selected as pilot enterprises for the first year after a vigorous vetting process of 12 shortlisted firms.

No	Firm	Industry	Location	No. of Employees	Product
1	Centrofood Industries	Food/Agro	Thika	35	Ketchup sauce/ Juice
2	Megh Cushion Industries	Automobile	Nairobi	105	Automotive seat /metal parts
3	Auto Ancillaries	Automobile	Nairobi	150	Leaf spring
4	Match Electrical	Metal/Furniture	Thika	50	Street Lights
5	Ethical Fashion	Textile	Athi River	130	Cotton bags, pouches, etc
6	Kikoi Mall	Textile	Athi River	70	Towels, Women clothes etc.

Min. 6/13/10/15: Discussions

- There was a proposal by a member that for personality assessment for master trainers to be objective, a tool should be used instead of using the observatory method which tends to be subjective. It was agreed that that personality assessment tools will be designed and used for this project.
- One member appreciated the structure of the project especially areas of financial , sales and marketing as these are areas where SMEs really need a lot of assistance.
- A concern was raised that the number of case sheets to be used are too few. It was clarified that two case sheets are ideal for each of the three fields.
- The concept of master trainer and training of trainers was not clear to some of the members. It was clarified that – it's the question of differentiation. The approach that's being adopted is where capacity is built for the first level trainers who walk through the project with the JICA experts due to the transfer of the skills. You also want to see how effectively they can train others for sustainability. The word master trainer should be adopted purposely for this project to bring out that difference but at the end of the day the master trainer and trainer must reach the 90percent mark. The only way therefore that the project can be sustained after the Japanese have left is by transfer of skills by those who have been trained. It was also clarified that the concept of master trainer is not new since

other JICA projects use it. The meeting agreed that master trainers should also be charged with the responsibility of coaching and mentoring.

- It was suggested by a member that the project had better use the assessment tool for Personality Assessment of the master trainers, in order to evaluate their capability objectively. JICA expert team replied that it would consider applying it if any tool is appropriate.
- One member enquired whether there were any problems or challenges, considering the selection criteria of pilot enterprises, identified through general observation during the visits to the six pilot companies which can be improved/addressed through this project. As for the criteria, there were no clear indication to amend the criteria. It was also clarified that during the initial engagements with the six pilot companies, the need for them to receive consultancy services was identified based on the challenges they are facing.
- The issue of selection of companies can be very sensitive and important for all the stakeholders so JCC as stakeholders should endorse the selection of the companies as one of the outcomes of the meeting. The meeting was informed that stakeholders were indeed consulted during the selection process of the pilot companies
- An enquiry was made whether it is possible to train trainers of other organizations apart from KIBT. It was explained by JICA that the project design of focusing on the master trainer at KIBT was made based on the experiences of KIBT in the previous JICA project, as well as its trained human resource. It was considered more effective to train the KIBT human resource with experience and skill on management improvement as the master trainer in the first stage. It was also clarified that the design of the project is such that KIBT master trainers can in future train other KIBT lecturers or other trainers

Min. 7/13/10/15: Way Forward

JCC members approved as follows:

- The Project Work Plan as a whole
- Continuation of the On-Site Consultancy
- That the Preparation for the training of master trainers continues
- That the project be incorporated into next year's KIBTs work plan
- The adoption of the selection of the six pilot companies
- That the possibility of training staff of other organizations be considered in the 2nd or 3rd year

Min. 8/13/10/15: AOB

- In Kenya there is a missing middle whose needs are not adequately addressed. This project will endeavor to address their needs.
- Cooperation from all JCC members is needed for the project to achieve its targets

- JCC members may have something to contribute during the TICAD VI to be held in Kenya next year

Min. 9/13/10/15: Chairman's Closing Remarks

- On behalf of the Ministry of East African Affairs Commerce and Tourism, thanked all in attendance.
- The ministry will give this very important project total support since it is touching on human resource development which will lead to production of high quality products.
- Collaboration with Japan through JICA will result in high employment, market access for Kenyan products and economic development.
- The training of KIBT master trainers will enable them utilize the skills learnt to improve on service delivery to the business community,
- Thanked all in attendance for their valuable contributions
- Date of next meeting will be communicated to members

The meeting ended at 12.15pm.

VOTE OF THANKS

The vote of thanks was presented by Mr. Simon Wachinga. He made the following remarks:-

- Emphasized the importance of keeping time
- KIBT as the project implementing agency will give its maximum support in terms of leadership
- Lets remember that we have our way forward in guiding this country in industrial development by developing the human resource
- Thanked all for attending the meeting

MINUTES OF THE FIRST TECHNICAL COMMITTEE MEETING
OF JICA PROJECT ON HUMAN RESOURCE DEVELOPMENT FOR INDUSTRIAL
DEVELOPMENT IN THE REPUBLIC OF KENYA HELD AT THE WEIGHTS AND
MEASURES HALL SOUTH ‘C’ ON 23RD FEBRUARY 2016

Present

- | | | |
|-------------------------|---|--|
| 1. Patrick Nyakundi | - | Senior Principal Lecturer II- Chairing |
| 2. Toshiyuki Machida | - | Third secretary, Embassy of Japan, Kenya |
| 3. Kiyonori Matsushima | - | Project Formulation Advisor, JICA Kenya Office |
| 4. Ann Olubendi | - | Snr. Prog. Officer, JICA Kenya Office |
| 5. Michael Njoroge | - | Japan External Trade Organization (JETRO) Nairobi Office |
| 6. Florence Suji | - | Manager, Toyota Kenya Academy |
| 7. Joseph K. Rotich | - | CTDO, State Department of Trade |
| 8. James Maru | - | Asst Dir, Ministry of Labour & E.A Affairs |
| 9. Ann N. Mukoma | - | DDP, Productivity Centre of Kenya (PCK) |
| 10. Josephine Etenyi | - | SAD, Productivity Centre of Kenya (PCK) |
| 11. Agnes Mueni | - | CHRO, K.I.R.D.I. |
| 12. Caroline Kioko | - | Head Marketing, MSEA |
| 13. Takeshi Fujita | - | Leader, JICA Expert Team |
| 14. Yoshihiro Takeguchi | - | JICA Expert Team |
| 15. Yoshihiro Aoumi | - | JICA Expert Team |
| 16. Jonathan Njogu | - | Snr. Principal Lecturer, KIBT |
| 17. Samuel Mulei | - | Principal Lecturer, KIBT |
| 18. Nelson K. Gaitho | - | Project Coordinator, KIBT –Taking minutes |

Apologies

1. Director, KIBT
2. Kenya National Chamber of Commerce & Industry (KNCC&I)
3. Kenya Private Sector Alliance (KEPSA)

Agenda:

1. Welcome Remark by Chairperson, Mr. Stephen Kirui, Director, Kenya Institute of Business Training (KIBT)
2. Remark by JICA Kenya Office
3. Progress of the Project
 - (i) Overall (Mr. Nelson Gaitho, Project Coordinator, KIBT)
 - (ii) Examples of on-site consultancy
 - Financial Management Field (Mr. Daniel Wechesa, a master trainer candidate, KIBT)
 - Marketing & Sales Field (Mr. Jonathan Njogu, a master trainer candidate, KIBT)
 - (iii) Introduction of New KIBT Training Program - based on first draft by JICA Team (Mr. Takeshi Fujita, JICA Expert)
4. Way forward (Mr. Nelson Gaitho)

5. Any other business

MIN. 1/TCM/23/02/16: CHAIRMAN'S WELCOMING REMARKS

- The Chairman, Mr. Patrick Nyakundi called the meeting to order at 10.20am and welcomed members who were present. He thanked them for honoring the invitation and conveyed apologies from KIBT Director, Mr. Kirui.
- Said that the project was very important for both KIBT and all stakeholders and success of projects of such magnitude depends on input of all and close collaboration among all key stakeholders. Those in attendance were asked to introduce themselves.
- Highlighted the other JICA projects that KIBT has previously been involved in such as:-
 - i. Trade Training for Small and Medium Enterprises (SME) Project and
 - ii. One Village One Product (OVOP)
- Pointed out that KIBT as the implementing agency will cooperate with JICA and also collaborate with the stakeholders in order to ensure that the project objectives are met.

MIN. 2/TCM/23/02/16: REMARKS BY MR. MATSUSHIMA, PROJECT FORMULATION ADVISOR - JICA KENYA OFFICE

- Said that this project, which is a collaboration between JICA and KIBT is geared towards capacity building KIBT adding that the project is not limited to KIBT hence the invitation of both private and public sector stakeholders who are associated with private sector development.
- Appreciated the presence of JETRO, a Japanese public organization that promotes exports to other countries works with many Japanese companies including here in Kenya. Some of these companies will be involved in the project.
- Pleased to have Toyota Kenya Academy in attendance as they work closely with JICA to provide services directly to the private sector. Was optimistic that this project will have a direct positive impact on the private sector.
- Appreciated the presence of a representative from the Embassy of Japan, Kenya stating that the reason for their inclusion is that Kenya will this year be hosting the 6th Tokyo International Conference for African Development (TICAD VI) the first time that it is being held outside Japan. The HRD-ID project will feature in the conference as one of the private sector development projects in Africa.
- Appreciated the presence of all those in attendance adding their comments and contribution will help polish and streamline the project.

MIN. 3/TCM/23/02/16: PROGRESS OF THE PROJECT

(i) Outline of Progress of Project Activities–Mr. Nelson Gaitho, Project Coordinator

First, Mr. Gaitho briefed the outline of the project and the results of the 1st on-site work in Kenya (September – November 2015). Secondly, Mr. Gaitho explained the progress of the project activities in the 2nd on-site work in Kenya (refer to the attached material 1 - Outline of Progress of Project Activities).

Reactions for the floor

- One member wanted to know how reluctance to disclose financial data by pilot companies is addressed. It was explained that after top management understand the objectives of the on-site consultancy, they usually cooperate fully with the consultants
- An enquiry was made on if there was still room to amend or improve the work plan since it has already been adopted by the JCC that was held in October 2015. He was informed that the objective of the Technical Committee was to analyze the project holistically and make recommendations on how it can be improved. Suggestions for improvement are therefore welcome.
- A member enquired about the criteria used for selecting the pilot companies. Mr. Fujita explained that there are several parameters used such as Commitment of top executives, Allocation of adequate human resource, Stability of business performance, Cooperation in the provision of management data, providing meeting space, cooperation of managers and employees among others.

(ii) Examples on on-site consultancy

a) Financial management field (Mr. Samuel Mulei)

Mr. Mulei, a master trainer candidate, explained the implementation methods of consultancy in the financial management field, by taking an example of Company A, one of the pilot enterprises. As the result of financial analysis the management of the company and the JICA-KIBT team agreed on the following;

- In the short run, management to be provided with quarterly reports with such analysis by the accounts department for decision making.
- In the long run, provide such reports monthly.
- Implementation of KAIZEN/ 5 S in the Accounting department.

In addition, it was informed that the directors of the client company were very happy with the financial data analysis which they had never done before. And the team is coaching the company to apply the analysis which would assist the company to make prompt decision.

Reactions from the Floor

- A member enquired about the level and capacity in the pilot firm's accounts departments. Mr. Mulei explained that all the pilot companies have qualified and experienced staff in their accounts departments. The tools they are being exposed to by the consultants will

however be very useful to the firms.

- A member wanted to know the reasons for reduction in profitability in some years in company A. In response, Mr. Mulei explained that there could be many reasons both internal and external. The detailed analysis is needed for clarifying it.

b) Marketing & Sales Field (Mr. Jonathan Njogu)

Mr. Njogu explained the progress and the methodology of consultancy on marketing and sales. So far, the team analyzed the current situation in the six companies in terms of;

- The environment and industry they operate in.
- Their organization and marketing strategy.
- The team has also done the SWOT analysis of the six firms and identified various marketing problems that can be addressed by the team and the individual companies.

The team is now in the process of picking specific alternative course of action/problems per individual companies to be addressed together with the management of the companies.

For some company, the team will conduct marketing survey, visiting their trading partners and end users on street or shops to confirm their status and products position.

(iii) Introduction of New KIBT Training Program - based on first draft by JICA Team (Mr. Takeshi Fujita, JICA Expert)

Mr. Fujita explained a promotional material on new training programs developed in the project (attached 2).

Reactions from the Floor

- A member proposed that the expression of the uniqueness of the program (practical and interactive) is very vague and they should be elaborated more with the explanation which make other understand clearly. The JICA expert replied for improving it accordingly.

MIN. 4/TCM/23/02/16: WAY FORWARD – NELSON GAITHO

Mr. Gaitho explained the schedule of main activities which are scheduled to be held in the 3rd on-site work in Kenya (July – September 2016).

- Completion of on-site consultancy for the 1st year (early August, 2016)
- Completion of assessment on MTCs (early August, 2016)
- Selection of Trainer Candidates for the 2nd Year (early August, 2016)
- Selection of pilot enterprises for the 2nd year (mid August, 2016)
- Result Dissemination Seminar (tentatively 10th August, 2016)
- 2nd JCC (tentatively 30th August, 2016)
- Training Program in Japan (September 2016)

MIN. 5/TCM/23/02/16: ANY OTHER BUSINESS

- Fujita-The tentative date for the next Technical Committee is November 2016
- Fujita- for purpose of consistency, members will in future be invited by name through their respective CEOs
- MSEA- Asked if the project could be extended to cover areas outside Nairobi.
 - Fujita- for the moment the project only covers Nairobi and nearby places like Athi-River and Thika. In future other areas of Kenya will be covered by KIBT.
- KIRIDI- Enquired whether technical committee members can be empowered to become master trainer.
 - Fujita- JICA engaged KIBT for this project because of their previous experience with the Trade Training for SME exporters programme. The project design is that the trained MTs will eventually train other business human resource in Kenya, including the staff in your organization.
 - Ann Olubendi of JICA- Training KIBT lecturers as Master Trainers is like developing a foot print that will spread to the rest of the country even after the project ends in 2018.
- KIRIDI- Propose to maintain the consistency of the discussion in the Technical Committee. The same member had better participate in it. The JICA-KIBT should write the name of the specified person on the official invitation letter of the Technical Committee, in order to make the members easy to participate.
 - JICA-KIBT team agreed the proposal.

MIN. 6/TCM/23/02/16: CHAIRMAN'S CLOSING REMARKS

- Thanked all for their active participation and patience
- Underscored the need for consistency in attendance to the Technical Committee
- Said that contributions from members will go a long way in improving the project
- Emphasized that whatever one does even in a small way can change the life of somebody somewhere as we are all working for the good of Kenya and to take it to the next level.

The meeting ended at 12.45pm after a word of prayer

[End]

**MINUTES OF THE SECOND JOINT COORDINATING COMMITTEE (JCC)
MEETING OF JICA PROJECT ON HUMAN RESOURCE DEVELOPMENT FOR
INDUSTRIAL DEVELOPMENT IN THE REPUBLIC OF KENYA HELD AT THE
TELEPOSTA ON 30th AUGUST, 2016**

Present

- | | |
|-------------------------|---|
| 1. Joyce A. Ogundo | - Director, Internal Trade – chairing |
| 2. Stephen K. Kirui | - Director, KIBT |
| 3. Koji Noda | - Senior Representative, JICA Kenya Office |
| 4. Peterson M. Kamau | - Ag Deputy Director, KIBT |
| 5. Patrick Nyakundi | - Senior Principal Lecturer II KIBT |
| 6. Kiyonori Matsushima | - Project Formulation Advisor, JICA Kenya Office |
| 7. Anne Olubendi | -Senior Programme Officer, JICA Kenya Office |
| 8. Michael Njoroge | - Japan External Trade Organization (JETRO) Nairobi Office |
| 9. Josephine Etenyi | - SAD, National Productivity and Competitive Centre (NPCC) |
| 10. George Kiondo | - Corporate Service Manager, Kenya National Chamber of
Commerce & Industry (KNCCI) |
| 11. Takeshi Fujita | - Leader, JICA Expert Team |
| 12. Yoshihiro Takeguchi | - JICA Expert Team |
| 13. Yoshihiro Aoumi | - JICA Expert Team |
| 14. Masayasu Okuyama | - JICA Expert Team |
| 15. Gideon Njogu | - Lecturer, KIBT |
| 16. Daniel Wechesa | - Lecturer, KIBT |

Agenda:

1. Self-introduction by participants
2. Welcome Remarks by Chairperson, Mrs. Joyce Ogundo, Director, Internal Trade
3. Remark by Mr. Koji Noda, Senior Representative, JICA Kenya Office
4. Results of the activities of the 1st year
 - Overall (Mr. Patrick Nyakundi)
 - Findings from on-site consultancy by KIBT Master Trainers(Mr. Gideon Njogu and Mr. Daniel Wechesa)
5. Revision of a PDM indicator (Mr. Takeshi Fujita)
6. Plan of the activities in the 2nd year and way forward (Mr. Patrick Nyakundi)
7. Discussions
8. Any other business
9. Closing remarks

MIN. 1/JCC/30/08/16: CHAIRMAN’S WELCOMING REMARKS

- The Chairperson, Mrs. Joyce Ogundo called the meeting to order at 9.00 Am. and welcomed members who were present. She thanked members for honouring the invitation to attend the meeting. Those in attendance were asked to introduce themselves.
- Thanked JICA Kenya Office representatives present, and all JCC members for participation. She also recognised with appreciation the presence of the Senior

Representative JICA Kenya Office, Mr. Koji Noda.

- She conveyed apologies from the Principal Secretary, State Department of Trade; Ministry of Industry, Trade and Cooperatives.
- She noted that the project is very important for both KIBT and all stakeholders. She emphasized that the project success depends entirely on contributions and collaboration from all key stakeholders. Lauded the success of TICAD VI.
- Appreciated the role played by Japan External Trade Organization (JETRO) in supporting the project.
- Emphasized the commitment of the Government of Kenya to support SME sector in the country since it's the main source of employment and will improve security.
- Noted that the Kenyan Government had requested the Government of Japan for technical transfer of technological skills in business management excellence.
- Underscored that achievements of the first year will build on the strength of year two and further ensure sustainability for the project.
- Noted that on-site consultancy implemented in three management fields; Production & Quality Management, Marketing & Sales, and Financial Management in the selected 5 pilot enterprises has been concluded successfully.
- Gave assurance that in support of the project, the Government of Kenya will upscale resources committed for the project to ensure its success.
- Recommended that the project should be extended to counties across the country for it can boost exports.
- Thanked JICA Experts for excellent consultancy work that has greatly improved consultancy services of KIBT Master Trainers and created a great impact in industrial human resource development in Kenya.

MIN. 2/JCC/30/08/16: REMARKS FROM JICA KENYA OFFICE REPRESENTATIVE

- Senior Representative, JICA Kenya Office, Mr. Koji Noda appreciated the Ministry of Industry, Trade and Cooperatives for supporting the HRD-ID project and hosting Pre-TICAD VI Seminar.
- He also noted that TICAD conference recently held in Nairobi was equally a great success for Kenya and Africa at large.
- Noted that TICAD VI and HRD-ID strategically positions KIBT to provide Training and Consultancy to SMEs in Kenya.
- He noted that ten Master Trainers Candidates successfully completed training and will be leaving for Japan for counterpart training to acquire first hand Japanese training.
- He congratulated JCC members for supporting the project and appreciated the teamwork displayed by members to achieve project objectives.
- He finally assured members that JICA is fully committed to enhance competitiveness of SMEs in the country.

MIN. 3/JCC/30/08/16: RESULTS OF THE ACTIVITIES OF THE 1ST YEAR

- Mr. Patrick Nyakundi took the members through the outline of the Project. He then explained about the results of the activities of the 1st year project. The main points which he presented are as follows. And the details are shown in the attached presentation material (Attachment-1).

[Output 1] Establishment of an implementation mechanism for continuously providing new business service

- Establish the implementing mechanism of the project
- Confirm the inclusion of new business services into KIBT's annual work plan in 2016-2017
- Develop the guidelines (curricula and syllabus) and implementation tools (textbooks and teaching manuals)
- Develop training modules for new business training program (KJ-PRIME)
- Collaboration activities with related organizations (Toyota Kenya
 - ✧ Introduction of candidate enterprises for pilot on-site consultancy (KNCCI, KEPSA, LIWA, EPZA, NPCC, Itochu, Honda, etc.)
 - ✧ Conducting Model Training Program (Trial) on new business training, in collaboration with Toyota Kenya Academy (TKA)

[Output 2] Training of KIBT lecturers as master trainers and trainers

- Train 10 Master Trainer Candidates (MTCs) in Production & Quality Management, Marketing & Sales, and Financial Management.
- Conduct classroom training (CRT)
- Conduct on-site consultancy (OSC)
- Assess the results of capacity development of MTCs
- Select 9 Trainer Candidates

[Output 3] Indications of Improvement by On-Site Consultancy and dissemination of the results

- Measure the achievement of on-site consultancy for the 1st year
- Select the pilot enterprises for the 2nd Year
- Dissemination of the results
 - ✧ Conduct the result dissemination seminar for the 1st year (10th August 2016).
 - ✧ Develop promotional materials for KIBT and make the action plan of improving public relation of KIBT

- Two Master Trainers (Mr. Gideon Njogu and Mr. Daniel Wachesa) made the presentation on the findings from on-site consultancy.
- They explained the common issues found in the pilot enterprises (inefficiency of the production process flow, poor or no production target setting, waste of searching materials and tools, lack of periodic financial report, inability to analyze financial reports for decision making, inappropriate filing of financial documents, etc.) , the actions taken for improvement (implementation of 5S, suggestions for work process improvement based on time study and work sampling, introduction of periodical financial monitoring system, introduction of the standard template for financial analysis, etc.), and the outcomes achieved (well-arranged working places, improved productivity, eliminated unnecessary waste and activities, mindset change of workers, quicker management decision making based on the appropriate financial analysis and periodical financial monitoring, etc.).

MIN. 4/JCC/30/08/16: Revision of A PDM (Project Design Matrix) Indicator

- Mr. Takeshi Fujita explained about the necessity to revise one of the PDM indicators arising from the need to upgrade the level of management for further improvement of

productivity and competitiveness in the fields of Marketing/Sales and Financial Management.

【Original PDM Indicator】

3-2. Waste in operation per pilot enterprise is reduced by 20% on average.

【Proposed PDM Indicator】

3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed by the team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively)

- All of the participants were in agreement with the justification given to revise the Proposed PDM Indicator and the meeting adopted the revision.

MIN. 5/JCC/30/08/16: Plan of the Activities in the 2nd Year and Way Forwards

- Mr. Patrick Nyakundi explained about the plan of the activities in the 2nd year and way forward. (Please refer to the attachment 2.)

[Output 1] Establishment of an implementation mechanism for continuously providing new business service

- Confirm the inclusion of new business services into KIBT's annual work plan in 2017-2018
- Develop the guidelines (curricula and syllabus) and implementation tools (textbooks and teaching manuals)
- Collaboration activities with related organizations
 - ✧ Expand the network of collaboration on introduction of candidate enterprises for pilot on-site consultancy
 - ✧ Discuss with TKA on further cooperation based on the model training programs held in August 2016
 - ✧ Conduct Model Training Program (Trial) on new business training for other collaborators (JKUAT, etc.)

[Output 2] Training of KIBT lecturers as master trainers and trainers

- Train 9 Trainer Candidates (TCs)
- Assess the results of capacity development of MTs and TCs
- Plan the training programs for Trainer Candidates for the 3rd year
 - ✧ Study the possibility of developing compact training program for Trainers
 - ✧ Study the possibility of training the Trainers outside KIBT (collaborators)

[Output 3] Indications of Improvement by On-Site Consultancy and dissemination of the results

- Conduct the baseline assessment of pilot enterprises for the 2nd year
- Conduct Pilot Enterprise Impact Survey for the pilot enterprises for the 1st Year (Jan-Feb 2017)
- Develop promotional materials for KIBT

[Overall]

- Training Program for MTs in Japan

- Joint Coordinating Committee (JCC) and Technical Committee
 - ✧ 2nd Technical Committee (in the end of Nov. 2016)
 - ✧ 3rd JCC (in the middle of July, 2017)

MIN. 6/JCC/30/08/16: Discussions

- The chairperson invited the questions from the floor and the project team responded accordingly. The main contents of Q&A are shown below.
 - (Q) How does the team support the sustainability of the implemented activities in on-site consultancy? And how does the team assist the enterprises in inculcating 5S and Kaizen culture? In other words, what advice do you give the enterprises to embrace the culture, for enhancing the change of the mindset of people?
 - (A) The team advised the development of the champions of 5S and Kaizen within the enterprises. We encouraged each enterprises to select the leader with strong passion to implement 5S and Kaizen. In addition, we advised the enterprises to establish 5S committee to spearhead the activities.
 - (Q) Have you identified the collaborators which can support the identification of potential pilot enterprises?
 - (A) Yes, there are two ways considered. One is to expand the relationship with the service providers which support the manufacturing sectors. We have got contact with one of the consulting firms which specialize in technology side of horticulture. From the network, we believe to find the potential candidates of pilot enterprises from flower related industries. Other is to collaborate with the pilot enterprises. They understand the merits of on-site consultancy. We believe that they are the good sources to introduce other potential enterprises.
 - (Q) The assessment for willingness to pay for on-site consultancy has been conducted. Who are the respondents?
 - (A) They are the pilot enterprises which received on-site consultancy for the 1st year, since they understand real benefits of the consultancy.
 - (Q) Does the project team have a plan to do the follow-up of the consultancy, in order to find out whether the enterprises sustain the activities?
 - (A) Yes, the KIBT-JICA team will visit each pilot enterprise six months after the completion of the on-site consultancy, in order to study how the enterprise will have sustained the activities, what will be the challenges to sustain them, and what impacts have been made from the consultancy activities.
 - (Q) Have the project team started charging for the consultancy?
 - (A) No. As for the consultancy, we will not have the plan for charging in this project, since our main focus is to develop the capacity of consultants through practical experience of on-site consultancy.
 - (Q) As for charging, have you made the estimation how much you charge for the consultancy?
 - (A) Currently we have just asked the pilot enterprise their willingness to pay for the consultancy which they have gone through. When we start to charge for the services, we will communicate with the beneficiaries and set the appropriate price.
 - (Q) Considering the sustainability of provision of on-site consultancy to SMEs, in addition to the consultancy fee shared by the beneficiaries, the financial support from the government should be provided. What is the direction of the ministry to support it?
 - (A) The ministry assures that the government will provide necessary budget for the program,

since this program is a core activity of the State Department of Trade.

- At the end of the session, the Director KIBT thanked JICA for the support provided for the implementation of the project, including the provision of the equipment, project vehicle and JICA experts. The equipment received included; computers, printers, digital camcorder cameras besides facilitation materials and publicity banners and brochures. The Director also showed the appreciation to the PS and the State Department for the continuous support.

MIN. 7/JCC/30/08/16: Chairperson's closing remarks

- The chairperson on behalf of the Ministry of Industry, Trade and Cooperatives thanked all in attendance
- She promised that the ministry will give the necessary support required for the project to succeed
- She emphasized that collaboration with JICA will immensely boost Kenya's economic development and ensure the realization of vision 2030
- Empowerment of KIBT lecturers to become master trainers will greatly benefit SMEs across the country

The meeting ended at 12.50pm with a word of prayer.

**THE SECOND TECHNICAL COMMITTEE OF JICA PROJECT ON HUMAN
RESOURCE DEVELOPMENT FOR INDUSTRIAL DEVELOPMENT IN THE
REPUBLIC OF KENYA ON 8TH DECEMBER, 2016**

VENUE: WEIGHTS & MEASURES COMPLEX (BLOCK A)

MEMBERS PRESENT

1. Ministry of Industry, Trade and Cooperatives (State Dept. of Trade)
2. Kenya National Chamber of Commerce and Industry (KNCCI)
3. Micro and Small Enterprise Authority (MSEA)
4. Productivity Centre of Kenya (PCK)
5. JICA Kenya Office and JICA Expert Team
6. Kenya Institute of Business Training (KIBT)
7. Embassy of Japan in Kenya
8. Japan External Trade Organization (JETRO), Nairobi office

ABSENT

1. Toyota Academy, Kenya
2. Kenya Industrial Research and Development Institute (KIRDI)
3. Kenya Private Sector Alliance (KEPSA)
4. Ministry of Labour and East Africa Affairs

AGENDA

1. Welcome Remark by Director, KIBT
2. Project Progress Report
3. Way Forward
4. Any Other Business

MINUTE NO.01. 08/12/2016... WELCOME REMARK

The meeting started at 10.45am with a welcome remark by the Director (KIBT), Mr. Stephen Kirui. This was followed by a brief remark by Ms Emi Takahata of the Private Sector Development Group, Industrial Development and Public Policy Dept, JICA. Thereafter, a self – introduction of members present was done.

MINUTE NO.02. 08/12/2016...PROGRESS REPORT

- The meeting agreed that the minutes of the previous, 1st and 2nd technical committee meeting be read and confirmed in the subsequent meeting since the minutes were not available at the time.
- The meeting was taken through the overview of the project by the JICA/KIBT Project coordinator Mr. Nyakundi. The overview of the project covered the period between September and November, 2016

- The progress report on the Productivity and Quality Management (PQM) for all the eight (8) companies was done by the PQM Master Trainer, Mr. Musa Okwemba, Sales and Marketing was done by the Sales and Marketing Master Trainer David Owitti, and the Financial Management for the companies was done by the Finance Management Master Trainer, Mr. Job Ogollah.
- On the PQM, the suggestions offered were: improvement of 5S level through 5S audits, productivity improvement by applying Industrial Engineering methods, and improvement of stock control, etc.
- On the Marketing and Sales, the proposals were; sales and marketing training for the company's sales team, a staff analysis to address the staff turnover with the right strategy, strengthening the salesforce, undertaking a corporate social responsibility, network enhancement with customers, and effective stock management amongst others.
- On the Financial Management for the companies, the main suggestions offered were: preparation and analysis of financial statements, implementation of Financial Analysis Tools, and confirmation of needs for 5S implementation.

MINUTE NO.03. 08/12/2016...WAY FORWARD

The way forward on the project was presented by Master Trainer, Mr. Mullei. The way forward was as outlined below:

Output 1:

- The need for establishing an implementation mechanism for continuously providing new business services into KIBT's annual work-plan.
- Support the implementation of rebranding of KIBT
- Develop guidelines and implementation tools including curriculum and training materials
- Collaboration activities with related organizations

Output 2: Training of KIBT lecturers as Master Trainers and Trainers

- Monitor the progress of on-site consultancy in Dec/2016-Feb/2017
- Conduct CRT on Financial Management (13th-17th February, 2017)
- Plan the Trainers training programme in the third year in collaboration with related organizations

After the presentations, there was a brief Question and Answer session directed to the three presenters. Some of the emerging suggestions/comments were:

- As for Rebranding Strategy of KIBT, it was suggested that the rebranding strategy involve several partners including Toyota Kenya Academy, JKUA, among other players.
- It is suggested that the possible methods, such as Customer Satisfaction Index (CSI) and/or market survey for the customers should be applied to KIBT.
- KIBT-JICA project team agreed to consider better use of a JICA provided vehicle for ease of business.

MINUTE NO.04. 08/12/2016...AOB

- The meeting was informed of the upcoming Dissemination and Knowledge sharing seminar in April, 2017 and members expressed interest in attending the seminar.
- MSEA showed the interest in more involvement in the on-going JICA Programme and requested for partnership to engage in the same activities with KIBT. KIBT-JICA team informed the MSEA member of latest collaboration that MSEA had been invited to send the trainer candidates to the trainer training of the 3rd year of the Project. It was also suggested that KIBT and MSEA to work in partnership in the rebranding of KIBT.
- It was revealed that lack of information on the type of market among others are entry barriers for new players in the market as the market seems inclined to the established companies. There was therefore an urgent need to address the plight of new entrants in the market.
- The embassy of Japan lamented the existing barriers to market entry. There have been a lot of challenges involved in the consultancy and training work: a lot of resources and commitments have been invested by the technical team and experts in the on-going programme for the realization of the current developments.
- One of the members of the Technical Committee suggested that the minutes of the meeting should be circulated to all including those not in attendance.
- JETRO encouraged the African SMEs to trade with Japanese markets and encourage private companies' engagements. They reiterated that there was interest by Japan to trade in Kenya; however there is lack of quality and quantity control for mutual benefits by both countries
- It was agreed by the meeting that Mr. Nyakundi and Mr. Mullei of KIBT to follow up on why there was no apology for non-attendance by KIRDI, KEPSA and Ministry of Labour and East Africa Affairs

CLOSING REMARKS:

The meeting closed at 12.45pm with a vote of appreciation from the director, KIBT, Mr. Stephen Kirui.

(Recorded by: Secretary Beatrice Pamella Onyango.....KIBT)

**MINUTES OF THIRD JOINT COORDINATING COMMITTEE (JCC) OF JICA MEETING
HELD ON 13th JULY, 2017 IN WEIGHTS AND MEASURES HALL**

Members Present

1. Ministry of Industry, Trade and Cooperatives (State Department for Trade)
2. Ministry of Labour and East African Affairs
3. Kenya National Chamber of Commerce and Industry (KNCCI)
4. National Productivity and Competitiveness Centre (NPCC)
5. Toyota Academy, Kenya
6. JICA Kenya Office and JICA Expert Team
7. Kenya Institute of Business Training (KIBT)
8. Japan External Trade Organization (JETRO), Nairobi Office
9. Kenya Industrial Research and Development Institute (KIRDI)

Absent

1. Embassy of Japan (EOJ)
2. Kenya Private Sector Alliance (KEPSA)
3. Micro and Small Enterprise Authority (MSEA)

Agenda

1. Remark by Director KIBT
2. Remark by Mr. Satoshi Sugimoto, Senior Representative JICA
3. Remarks by Principal Secretary – State Department for Trade
4. Results of the activities of the 2nd year
5. Plan for the activities of the 3rd year
6. Way Forward
7. Discussions
8. Any Other Business

Minute No. 01. 13/07/2017 Preliminaries

The meeting was called to order by the chairman- Mr. Robert O. Okoth, Asst. Director SDT KIBT at 10.00 am. The member's present made brief self-introduction with special introduction of Mr. Satoshi Sugimoto – Senior Representative JICA. The minutes of the 2nd Joint Coordinating Committee meeting were read and confirmed as true records of the previous meetings.

Minute No. 02. 13/07/2017 Remarks by Director KIBT

The Director welcomed the members to the meeting which was held as planned coming at the tail end of the Trade week in which the Principal Secretary State Department for Trade had been fully engaged. He noted that progress on the Human Resources Development for Industrial development project was okay and was entering the 3rd year. He acknowledged the presence of the members and the honour of having Mr. Sugimoto the senior Representative for JICA in attendance. He thanked the respective organizations represented by the members for their concern

on the project including JICA for the overwhelming support, the JICA experts and the project team leader Mr. Fujita for their commitment in training and passing their skills to both the Master Trainers (MTs) and the Trainer Candidates (TCs).

Minute No. 03. 13/07/2017 Remarks by Mr. Satoshi Sugimoto, Senior Representative, JICA Kenya Office

Mr. Satoshi Sugimoto appreciated the Ministry and State Department for Trade for hosting the Joint Coordination Committee and the continued cooperation and cordial relationship with JICA. He reiterated the role played by SMEs in developing the economy with more than 90% of all income outside Agriculture and employment coming from SME sector. They are also instrumental in poverty alleviation. He noted that Human Resources development through this HRD-ID project would enhance Kenya's global competitiveness, create employment and ultimately help in the achievement of the country's development blueprint – The Vision 2030. He noted that the project would develop the capacity and quality of KIBT Consultants. He thanked the JCC members for their commitment to the project and specifically mentioned JETRO Nairobi Office and Kenya National Chamber for Commerce and Industry for the assistance in identification of pilot enterprises.

Minute No. 04. 13/07/2017 Remarks by Dr. Chris Kiptoo, Principal Secretary, State Department for Trade

The PS made mention of the Trade Policy which was being developed with special emphasis on developing regulations and standards the areas of; Common trade, Retail Trade and Wholesale Trade. He urged KIBT with the support of JICA to take the lead in championing SME Business management skills capacity improvement for enterprise improvement and growth. He noted that by September 2017, the Export Promotion Council a key facilitating department in the ministry for international trade would be celebrating its silver jubilee would need to rebrand in order to help implement the trade Policy. The PS was categorical on the need for harmonization and better coordination in attaining synergy amongst the organizations dealing with SMEs such as EPC, Ken Invest, Ministry of Labour, MSEA, KIBT etc.

Minute No. 05. 13/07/2017 Results of the 2nd year

The meeting was taken through the project results covering the second year from September 2016 to July 2017 by the project coordinator Mr. Patrick Nyakundi. The following outputs were achieved during the period;

- [Output 1] Establishment of an implementation mechanism for continuously providing new business service.

It was demonstrated that KIBT had included new business services and particularly business consultancy in its 2017/18 annual work plan. In addition, the Institute in collaboration with JICA and JKUAT, the Project had implemented 2 model training programs for their students. The emphasis here is for the rebranding of KIBT programmes to conform to the improved standards

- [Output 2] Training of 10 Master trainers and 9 Trainer Candidates.

10 Master Trainers had been trained in the 2nd year of the Project through on-site consultancy and training in Japan. They enhanced their capability by having the experience in training Trainer Candidates, as well as taking the lead in on-site consultancy. Unfortunately, 1 Master Trainer moved to another Ministry. They achieved the achievement indicators in the 2nd year assessment.

9 Trainer Candidates had been trained through classroom training and also on onsite consultancy at the 9 pilot firms. They achieved the achievement indicators as the Trainer.

- [Output 3] Improvement of Management Process for the 9 firms.

9 pilot enterprises improved business process with the on-site consultancy by the KIBT-JICA team. The average improvement ratio was 18.5%.

On-site consultancy impact assessment for the pilot enterprises in the 1st year was conducted in February-March 2017. Generally speaking most of the firms that received on site consultancy in the 1st year had registered positive gains like adoption of 5s, better visual control in production area, business expansion through new product development and periodic financial reports generated for management to support decision making. There were significant impacts in some firms, such as the increase of the sales, increase of the number of employees, expansion of the factory size, development of the new products.

Minute No. 06. 13/07/2017 Overall Project activities

It was reported that in the second year of the project, the Technical Committee had had three meetings (2nd held on 8th Dec, 2016 and 3rd held on 4th April, 2017). In addition, a Kaizen Knowledge sharing Seminar co-organized by JICA, NEPAD and GOK (KIBT & NPCC) had been successfully held in Nairobi.

Minute No. 07. 13/07/2017 Findings from on-site consultancy by Trainer Candidates

Mrs. Roseline Mumbo shared the experience of the marketing team with the 9 firms and the proposals they were implementing with each firm to improve the situation of the companies. Some key proposals were; development of monthly sale plans, training of sales force, improvement of promotional activities, new product development and reviewing of distribution channel. However, changes in profitability would be measured once the firms completed the implementation of the proposals.

Mr. Solomon Kiawa shared the experience of the Production team. In most firms the 5S activities were received positively in the production area and through various tools such as the Radar chart, Time study and Work sampling notable improvements had been made in efficiency and employee productivity and reduction of waste hence cost saving.

Mr. Getange shared the experience of the Finance team. In most firms the tool that had been used for analysis of the financial reports for the companies produce vita ratios which were pointers of areas of strengths or weaknesses and the required action to take to improve.

Minute No. 08. 13/07/2017 Plan of the 3rd year activities and Way Forward

The meeting was taken through the plan of the project activities in the three output areas covering the third year from September 2017 to July 2018 by Mr. Stephen Kirui, Director, KIBT. The following outputs were achieved from the activities of 3rd year;

- [Output 1] Establishment of an implementation mechanism for continuously providing new business service.

JICA was to continue supporting KIBT to improve implementation of training and consultancy, and development of curricular and syllabus and training materials.

Training of 9 Trainer Candidates who would be drawn from collaborating organizations as well as conducting pilot training program for participants from pilot enterprises. A program for two trainings for each area name Production and Quality management, Marketing/Sales, Financial Management and Management skills had been drawn.

- [Output 2] Training of KIBT and Staff from Collaborating organization as Master trainers and trainers.

The issue on internal transfer of KIBT on the Project activities was risen. The PS confirmed to take the necessary action to let them remain at KIBT until the end of the Project.

9 selected trainer candidates from collaborating organizations had been selected and trained through classroom training and also on onsite consultancy at the 6 pilot firms. An elaborate score achievement indicator would be to assess the trainer candidates through the training.

- [Output 3] Improvement of Management Process for the selected pilot firms and results dissemination.

The project team was to finalize the selection of pilot enterprises for 3rd year based on selection criteria by 21st July, 2017.

On-site consultancy impact survey for the 2nd year pilot enterprises would be done between Nov 2017 and Feb 2018.

The 2nd and 3rd Results Dissemination seminars would be held on 1st Nov 2017 and June 2018 respectively.

Promotional materials for KIBT, such as best practice DVD, introductory guide of KIBT activities, would be developed in the 3rd year.

Minute No. 9. 13/07/2017 Overall Project activities in 3rd year

In the third year, it planned to have the 4th and 5th Technical Committee meetings (4th held at end of Oct, 2017 and 5th to be held in mid-April, 2018).

In addition, it is planned to have the 4th Joint Coordination Committee meeting at the end of June, 2018.

A counterpart training course on learning good management practices in Malaysia for 9 Trainer Candidates from the 2nd and 3rd year selected on the basis of assessment by the JICA experts is scheduled to take place in January or May 2018.

Minute No. 10. 13/07/2017 Plenary Discussions and A.O.B

After the presentations there were some questions and suggestions for improvement and some included;

- JICA Kenya Office clarified the necessity of the KIBT lecturers to remain at KIBT at least until the end of the Project. The PS, Dr. Kiptoo, showed his understanding of the importance of this Project and confirmed to take the necessary measure for it.
- Mr. Kirui, KIBT, expressed his intention to share the good practices of pilot enterprise to other firms, in order to encourage them management improvement activities.
- JETRO Nairobi Office expressed the need to support Kenyan SMEs who are interested in accessing the Japanese market in order to reduce the trade deficit between Kenya and Japan. It also informed the meeting about the upcoming Foodexpo an exhibition scheduled to take place in Japan in 2018 with Kenyan firms given chance through EPC networks at reduced rates but noted that so far very few firms had shown an interest in exhibiting.
- The PS also noted that the results of the 2nd year were very impressive. He mentioned that enhancement of the capacity of SMEs was crucial for the expansion of the export. He requested for scaling up of the scope of the project to include EPC and KIRDI with KIBT taking the leading role as the KIBT parklands office complex is completed in order to get an even greater impact of the project. There was need for the Kenyan government to make a request for enhancement of funding to JICA in order to upscale the operations of the project.
- The PS was to pay a visit to some of the pilot firms to witness first-hand the achievements of the project.

There being no other business, the meeting adjourned at 12.20 pm.

MINUTES OF THIRD TECHNICAL COMMITTEE OF JICA MEETING HELD ON 4th -APRIL, 2017 IN WEIGHTS AND MEASURES HALL

Members Present

1. Kenya National Chamber of Commerce and Industry
2. National Productivity Centre (NPCC)
3. JICA Kenya Office and JICA Expert Team
4. Embassy of Japan (EOJ)
5. Kenya Institute of Business Training KIBT)
6. Japan External Trade Organization (JETRO), Nairobi Office
7. Kenya Industrial Research and Development Institute (KIRDI)

Absent

1. Ministry of Industry, Trade and Cooperatives (State Department for Trade)
2. Toyota Academy, Kenya
3. Kenya Private Sector Alliance (KEPSA)
4. Ministry of Labour and East African Affairs
5. Micro and Small Enterprise Authority (MSEA)

Agenda

1. Welcome Remark by Director KIBT
2. Remark by Mr. Kiyonori Matsushima, Project Formulation Advisor
3. Progress of the Project
4. Way Forward
5. Any Other Business

Minute No. 01. 04/04/2017 Preliminaries

The meeting was called to order by the chairman- Mr. Stephen Kirui, Director KIBT at 10.00 am. The member's present made brief self-introduction with special introduction of Mr. Kenji Nakano who had come to replace Mr. Kiyonori Matsushima at JICA. The minutes of the 1st and 2nd Technical Committee meeting were read and confirmed as true records of the previous meetings.

Minute No. 02. 04/04/2017 Chairman's Opening Remarks

The Chairman welcomed the members to the meeting which was meant to deliberate on the achievements of the HRD-ID project to date and the way forward. He thanked the respective organizations represented by the members for their concern on the project including JICA for the overwhelming support, the JICA experts and the project team leader Mr. Fujitsa for their commitment in training and passing their skills to both the Master Trainers (MTs) and the Trainer Candidates (TCs). He informed the members that two KIBT staff; Messsr. Nelson Gaitho and Samuel Mulei had moved on promotion to another department (NPCC) but had entered into negotiations with counterpart Director in order to continue working with them till the conclusion of the project.

Minute No. 03. 04/04/2017 Remarks by Mr Kiyonori Matsushima, Project formulation Advisor, JICA Kenya Office

Mr. Matsushima thanked the members present for attending the meeting and appreciated their collaboration and particularly their roles played in introducing the pilot companies in order to offer them support in the three consulting areas of PQM, FM and Marketing. He reiterated the fact that HRD-ID was a project that JICA was according special attention. He informed members about the upcoming regional meeting among selected African Countries and Japan which would be a JICA- Kaizen knowledge and experiences sharing Seminar and the Chairman of the Kenya National Chamber of Commerce and Industry (KNCCI) was invited to make a keynote address.

Minute No. 03. 04/04/2017 Progress Report on the Project

The meeting was taken through the project results covering the first year and the second year from September 2016 to March 2017 by the project coordinator Mr. Patrick Nyakundi. In year 1 (Sept 2015- July 2016) the following outputs were achieved;

- [Output 1] Institutional Development through business training and onsite consultancy for 5 pilot firms.
- [Output 2] Training of 10 Master trainers in Kenya and in Japan.
- [Output 3] Improvement of Management Process for the five firms depicted by level of satisfaction and impact of onsite consultancy.

In year 2 (Sept 2016- Mar 2017) the following outputs were achieved;

- Selection of 9 Pilot Enterprises to receive support.
- Selection of 9 Trainer Candidates.
- [Output 1] Institutional Development through business training and onsite consultancy for 9 pilot firms is ongoing.
- [Output 2] Training of 9 Trainer Candidates in Kenya; Classroom training concluded and onsite consultancy training ongoing.
- [Output 3] Improvement of Management Process for the selected firms ongoing.

The meeting also agreed on Rebranding strategy of KIBT through developing guidelines and implementation tools, collaborations with related organizations, website development was in progress and with the help of a JICA experts' advice - Mr. Nakajima and would then be operationalized before the next Technical Committee Meeting.

Minute No. 04. 04/04/2017 Way Forward

The way forward on the project was presented by the KIBT coordinator Mr Patrick Nyakundi as follows;

Output 1: Establishment of an implementation mechanism for continuously providing new business service

- The project has been included in the KIBT 2017-18 annual work plans.
- Developing guidelines and implementation tools, curricula and training materials.
- Collaborations with related organizations including planning for activities of the 3rd year which will require introduction of pilot companies by collaborating organizations from which 6 will be selected based on a the set criteria and training of 9 trainers drawn from collaborating organizations who would be selected from applications received by 3rd May 2017.

Output 2: Training of KIBT Lecturers as Master trainers and Trainers.

- Implement training for MTs and 2nd year TCs through on site consultancy.
- Conducting capacity assessment for MTs and 2nd year TCs.
- Planning 3rd year trainers' training in collaboration with related organizations.

Output 3: Indications of Improvement by onsite consultancy and Dissemination of results.

- Make assessment of the results of on-site consultancy for year 2.
- Selection of pilot enterprises for the 3rd year.
- Develop promotional Materials for KIBT trainings.

Minute No. 05. 04/04/2017 A.O.B

After the presentations there were some questions and suggestions and some included;

- Clarification on budgetary allocation on the project by the Director KIBT since the project had been included in the work plan which the meeting agreed that part of the resources available be used to run the project.
- Concern over the circumstances facing Kikoy Mall one of the year pilot firms where a major client in the Egyptian market had pulled out of a contract occasioning the shrinking of demand and hence the company had to sale property, plant and equipment and downsize as a cost cutting measure.

There being no other business, the meeting adjourned at 12.20 pm.

MINUTES OF FOURTH TECHNICAL COMMITTEE OF JICA MEETING HELD ON 14th NOVEMBER, 2017 AT WEIGHTS AND MEASURES HALL

Members Present

1. Kenya National Chamber of Commerce and Industry (KNCCI)
2. National Productivity and Competitiveness Centre (NPCC)
3. JICA Kenya Office
4. Toyota Kenya
5. Kenya Institute of Business Training (KIBT)
6. Kenya Industrial Research and Development Institute (KIRDI)

Absent

1. Ministry of Industry, Trade and Cooperatives (State Department for Trade)
2. Kenya Private Sector Alliance (KEPSA)
3. Ministry of Labour and East African Affairs
4. Micro and Small Enterprise Authority (MSEA)
5. Embassy of Japan (EOJ)

Agenda

1. Welcome Remark by Deputy Director KIBT
2. Remark by Mr. Satoshi Sugimoto, Senior Representative JICA-Kenya
3. Results of Activities (September –November 2017)- Mr. Nyakundi: KIBT Project coordinator
4. Way Forward
5. Project Monitoring sheet
6. Any Other Business

Min 1: 14/11/2017 Preliminaries

The meeting was called to order by the Deputy Director KIBT - Mrs. Catherine Waweru, at 9.15 AM and thereafter asked Member's present to make brief self-introduction. Minutes of the previous Third Technical Committee meeting were read and confirmed as true records of the previous meeting.

Min 2: 14/11/2017 Chairman's Opening Remarks

The Chair thanked members present for attending the meeting. In her opening remarks she thanked JICA for the overwhelming support, the JICA experts and the project team leader Mr. Fujita for their commitment in training and passing their skills to both the Master Trainers (MTs) and the Trainer Candidates (TCs). She later invited Mr. Sugimoto to make his remarks.

Min 3: 14/11/2017 Remarks by Mr. Satoshi Sugimoto, Senior Representative JICA- Kenya Office

Mr. Sugimoto thanked members present for attending the meeting and appreciated and emphasized on the collaborations between JICA and the team to see the conclusion of the HRD-

ID project. He gave a detailed progress report on HRD-ID and reiterated the commitment of JICA office to ensure the success and completion of the project.

Min 3: 14/11/2017 - Results of Activities (September –November 2017)

Members were taken through the Results of Activities (September –November 2017) as follows:

- i. Output 1-Establishment of an implementation mechanism for continuously providing new business service.
- ii. Output 2-Training of KIBT lecturers' as MTs.
- iii. Output 3-Indications of improvement by on-site consultancy and dissemination of the results.

Min 4: 14/11/2017 Way Forward

The way forward on the Results activities were presented to members by KIBT coordinator Mr. Patrick Nyakundi as follows;

- i. Output 1-Establishment of an implementation mechanism for continuously providing new business service. Activities in Output 1 includes:
 - Confirming the inclusion of new business services into KIBT's annual work plan in the calendar year 2018/2019.
 - Develop the guidelines and implementation tools, including curriculum, training materials.
 - Collaboration activities with related organization: training of TCs from KNCCI, KIRDI, NPCC, internal trade in the 3rd year of the project which is continuing.
 - Conduct pilot training programs on the 4 modules by inviting participants from pilot enterprise, an activity which is still continuing.

- ii. Output 2-Training of KIBT lecturers' as MTs.

Activities in Output 2 include:

- Implement training for MTs and TCs in the 3rd year through CRT and on-site consultancy
- Conduct the baseline assessment on the capacity of TCs in the 3rd year

Monitor the results of capacity development of MTs.

- iii. Output 3-Indications of improvement by on-site consultancy and dissemination of the results.

Activities in Output 3 include;

- Implement the 2nd Results Dissemination seminar in March 2018.

Conduct on-site consultancy impact assessment for the pilot enterprises in the 2nd year.

Develop promotional materials for KIBT; KIBT training guide and consultancy guide (continuing), cases of consultancy (DVD)-on-going.

Min 4: 14/11/2017 A.O.B

After the presentations there were deliberations; some questions and suggestions were raised and they include;

- There was further clarification on the GOK budgetary allocation for sustaining the activities based on the results of the project. First, the Deputy Director KIBT pointed out that the supplemental budget for the JICA project was not catered for in the 2017/2018 budget. But KIBT would ensure its inclusion in the 2018/2019 budget. JICA project team clarified that the budget for implementing on-site consultancy for 2 companies by KIBT itself was included in the 2017/2018 KIBT annual work plan with the budget.
- There was a question on the reason which one pilot enterprise was not satisfied with the consultancy. The enterprise demanded the tangible results, such as sales increase from the on-site consultancy, and it was not interested in the approach of continuous management improvement on which our on-site consultancy was based. KIBT and JICA project team tried to explain the importance of management improvement activities, but the top management of the enterprise was not convinced. Although most of the pilot enterprises were satisfied with the consultancy, but it was also the reality that KIBT may face such a reaction from the enterprises and KIBT needs to prepare the messages to these companies.
- An issue was raised to JICA concerning certification; where MTs were not yet certified and how TCs were going to be certified. JICA project team indicated that MTs would be certified in the end of the project, while the TCs was certified as the trainer after the completion of the 10 months training program. Actually 9 TCs were certified as the trainers in July 2017, and the TCs in the 3rd year would be certified as the trainers in June 2018.
- There was concern over rolling out the project to other counties outside Nairobi. KIBT was however asked to incorporate the project in their work plan to ensure dissemination of the information to client's country wide during training. JICA Kenya Office informed that the GOK (Ministry of Industry, Commerce and Cooperatives) made a request to JICA on the second phase of the project in August 2017. One of the ideas in the request is to expand the activities to some regional areas. The necessity and feasibility of the 2nd phase will be examined in the next year.
- NPCC made an appeal that, after the completion of JICA Project on Productivity Improvement in 2014, NPCC had enhanced the capacity and increased the staff close to 30 people. NPCC informed that NPCC was ready to cooperate with KIBT and JICA in the second phase of the Project.
- NPCC also asked the possibility to provide NPCC staff with the training before the end of the Project. JICA project team replied that, since there were two TCs from NPCC in the 3rd year, the JICA-KIBT project team would rather focus on training them at the moment and, eventually, they would share the knowledge with other NPCC staff.

- An appeal was made by Toyota Kenya Academy on training of Financial Management. The JICA project team, however, clarified that an invitation had been sent to Toyota Kenya for nominating the trainer candidates to the trainers' training program in the 3rd year. But received no application. As for Toyota Kenya, it was informed that one day seminars on the three modules, such as business strategy, marketing/sales and financial management, were implemented for the managers of Toyota Kenya related companies in August 2016.
- An appeal was made to KIBT to let MT's and Trainers retained lecturers in KIBT in order to disseminate the knowledge acquired even after August 2018. The Deputy Director KIBT promised to look into it with reservation raising a concern that transfer of officers in the service is a matter addressed by the Human Resource policy and Regulation and the institute has no control over. JICA Kenya Office emphasized that KIBT needed to establish a system to utilize the trained human resource in the Project after the completion of the Project, which is the critical point of the feasibility of the 2nd phase of the Project.

There being no further business, the meeting adjourned at 11.50 AM.

**MINUTES OF FOURTH JOINT COORDINATING COMMITTEE (JCC) OF JICA MEETING
HELD ON 19TH APRIL 2018 AT TELPOSTA TOWERS 15TH FLOOR BOARD ROOM**

Members Present

1. Ministry of Industry, Trade and Cooperatives (State Department for Trade)
2. Ministry of Labour and East African Affairs
3. National Productivity and Competitiveness Centre (NPCC)
4. Toyota Academy, Kenya
5. JICA Kenya Office and JICA Expert Team
6. Kenya Institute of Business Training (KIBT)
7. Japan External Trade Organization (JETRO), Nairobi Office
8. Kenya Industrial Research and Development Institute (KIRDI)
9. Micro and Small Enterprise Authority (MSEA)

Absent

1. Embassy of Japan (EOJ)
2. Kenya Private Sector Alliance (KEPSA)
3. Kenya National Chamber of Commerce and Industry (KNCCI)

Agenda

1. Remark by Director KIBT
2. Remark by Mr. Satoshi Sugimoto, Senior Representative JICA
3. Remarks by Principal Secretary – State Department for Trade
4. Results of the activities and achievement of the Project
5. Way Forward and Discussions
6. Any Other Business

Minute No. 01. 19/04/2018 Preliminaries

The meeting was called to order by the Secretary of Trade, Joyce Ogundo at 2.00 pm. The member's present made brief self-introduction. The minutes of the 3rd Joint Coordinating Committee meeting were read and confirmed as true records of the previous meetings.

Minute No. 02. 19/04/2018 Remarks by Director KIBT

The Director welcomed the members to the meeting. She mentioned that the purpose of the meeting was to assess the progress of the project so far, and to evaluate if it is achieving its objectives satisfactorily. She noted that progress on the Human Resources Development for Industrial development project was okay and was coming to the end of the 3rd year.

Minute No. 03. 19/04/2018 Remarks by Secretary, State Department for Trade

The Secretary, Trade reiterated that so far, the project has been successful and she appreciated the effort made by KIBT and JICA. She mentioned that the big challenge that KIBT and JICA may encounter is the availability of sectors to go through the consultancy.

Minute No. 04. 19/04/2018 Results of the 2nd year and progress of the 3rd year

The meeting was taken through the project results covering the second year from September 2016 to July 2017 by the project coordinator Mr. Patrick Nyakundi. In addition, Mr. Takeshi Fujita, the Leader of the JICA project team explained the achievement of the project. The following outputs were achieved during the period;

- [Output 1] Establishment of an implementation mechanism for continuously providing new business service.

It was demonstrated that KIBT had included new business services and particularly business consultancy in its 2017/18 annual work plan. In addition, the Institute in collaboration with JICA and JKUAT, the Project had implemented 2 model training programs for their students. The emphasis here is for the rebranding of KIBT programmes to conform to the improved standards

- [Output 2] Training of 10 Master trainers and 9 Trainer Candidates.

10 Master Trainers had been trained in the 2nd year of the Project through on-site consultancy and training in Japan. They enhanced their capability by having the experience in training Trainer Candidates, as well as taking the lead in on-site consultancy. Unfortunately, 1 Master Trainer moved to another Ministry. They achieved the achievement indicators in the 2nd year assessment.

9 Trainer Candidates had been trained through classroom training and also on onsite consultancy at the 9 pilot firms. They achieved the achievement indicators as the Trainer.

- [Output 3] Improvement of Management Process for the 9 firms.

9 pilot enterprises improved business process with the on-site consultancy by the KIBT-JICA team. The average improvement ratio was 18.5%.

On-site consultancy impact assessment for the pilot enterprises in the 1st year was conducted in February-March 2017. Generally speaking most of the firms that received on site consultancy in the 1st year had registered positive gains like adoption of 5s, better visual control in production area, business expansion through new product development and periodic financial reports generated for management to support decision making. There were significant impacts in some firms, such as the increase of the sales, increase of the number of employees, expansion of the factory size, development of the new products.

Minute No. 5. 13/07/2017 Way Forward and Discussions

Mr. Takeshi Fujita explained the project activities before the end of the project period.

- On-site consultancy for the pilot enterprises will be completed in June 2018.

- The final capacity assessment of MTs and TCs will be done by June 2018.
- 3rd result dissemination seminar will be held in June 2018.
- The Malaysian visit to be scheduled for January 2019
- Technical KIBT should market its services to reach many people

Ms. Megumi Hirose, Leader of JICA Monitoring Mission Team, explained the result of the monitoring study. Although she agreed on the results of the achievement of the project previously shown by the JICA project team, she clarified the concern on the sustainability of the project activities, mostly due to the possible transfer of the trained trainers from KIBT. In order to sustain the project activities, she suggested that KIBT should strengthen the collaboration with KIBT collaborators in continuous provision of training and consultancy services. In addition, the service provision mechanism which has been improved during the project period should be continuously monitored.

The mission team therefore proposed one-year extension of the project period, in order to implement the following activities.

- Establish a coordinating committee with KIBT collaborators to maximize quality and scope of business service(s) required by SMEs.
- Develop and implement new curriculum on Business Plan in Training of Trainers activities with KIBT collaborator
- Monitor continuous cycle of providing business services with KIBT collaborators.

The mission team also introduced the concept of JICA's new approach of the interventions to strengthen eco-system and financial assistance for MSMEs in Kenya in the future project.

After the presentations there were some questions and suggestions for improvement and some included;

- Some members wanted to know the mechanisms of follow up of the SMEs after the exit of on-site consultancy by JICA- KIBT. Mr. Fujita proposed that KIBT should continue on-site consultancy impact study which have been 6 months after the consultancy during the project period. It was advised that KIBT should continue the support if the company needs it.
- NPCC wanted to know how JICA has organized for the Trainees in the three fields to visit the companies together and they were advised that the groups visit as a team.
- Members wanted to know how JICA and KIBT are planning to market the services offered in the project and it was mentioned that Brochures, fliers, and DVDs have been prepared for marketing purposes.
- MSEA was concerned if JICA, KIBT has in addition to the marketing tools above, face to face training method of digital training, she urged the team to adopt the digital e-learning training.
- NPCC urged the team to scale up the topics to another level e.g TPM.

- JCC members supported the proposal by JICA Monitoring Mission Team to extend the project for a year.
- MSEA should mobilize funds for sustainability purposes in Kenya.

Amendments were approved

There being no other business, the meeting adjourned at 4.20 pm.

MINUTES OF FIFTH TECHNICAL COMMITTEE OF JICA MEETING HELD ON 26th JUNE, 2018 AT WEIGHTS AND MEASURES HALL

Members Present

1. Kenya National Chamber of Commerce and Industry (KNCCI)
2. National Productivity and Competitiveness Centre (NPCC)
3. JICA Kenya Office
4. Embassy of Japan
5. Toyota Kenya
6. Kenya Institute of Business Training (KIBT)
7. Kenya Industrial Research and Development Institute (KIRDI)

Absent

1. Ministry of Industry, Trade and Cooperatives (State Department for Trade)
2. Kenya Private Sector Alliance (KEPSA)
3. Ministry of Labour and East African Affairs
4. Micro and Small Enterprise Authority (MSEA)

Agenda

1. Welcome Remark by Chairperson, MS. Catherine Waweru, Ag. Director KIBT
2. Remark by Mr. Kenji Nakano, JICA-Kenya
3. Results of Project Activities -Mr. Nyakundi: KIBT Project coordinator
4. Way Forward
5. Ceremony for certification of Master Trainers and Trainer Candidates
 - I. Opening remarks by Ms. Catherine Waweru
 - II. Certification to Master Trainers
 - III. Certification to Trainers in the 3rd year
 - IV. Certification to the Trainers in Management Skills
 - V. Address on behalf of all the MTs and Trainers
6. Lunch (12.00 – 13.00)

Min 1: 26/6/2018 Welcome Remarks by Chairperson

The meeting was called to order by the Deputy Director KIBT - Mrs. Catherine Waweru, at 10.10 AM and thereafter thanked members present for attending the meeting. In her opening remarks she thanked JICA for the overwhelming support, the JICA experts and the project team leader Mr. Fujita for their commitment in training and passing their skills to both the Master Trainers (MTs) and the Trainer Candidates (TCs). She asked Member's present to make brief self-introduction after which She invited Mr. Nakano to make his remarks.

Min 2: 26/6/2018 Remark by Mr. Kenji Nakano, JICA-Kenya

Mr. Nakano thanked members present for attending the meeting and appreciated and emphasized on the collaborations between JICA and the team to see the conclusion of the HRD-ID project. He reiterated the commitment of JICA office to ensure the success and completion of the project and reviewing the activities on the one-year extension.

Min 3: 26/6/2018 Review of Minutes of previous meeting

- Minutes were read and confirmed with a few amendments on Minute 5: AOB, bullet 7.
- JICA- Kenya office sought to know how KIBT MTs who had been transferred to the headquarters in other departments on promotion would be engaged in the project in the future, and the Ag. Director pointed out, arrangements would be made to use them as external resource persons.
- The Chair assured the members that KIBT had included the activity on HRD-ID in the work plan for the year 2017/18 and 2018/19 to ensure continuity of the project.

Min 4: 26/6/2018 Results of Project Activities

Results of project activities (September, 2015 – 22nd June, 2018) were presented to members by KIBT coordinator Mr. Patrick Nyakundi - as follows:

- i. Output 1-Establishment of an implementation mechanism for continuously providing new business service.
 - Confirm the inclusion of new business services into KIBT's annual work plan
 - The new consultancy service for SMEs was confirmed to be included in KIBT's annual work plan in 2016/2017, 2017/2018 and 2018/2019.
 - In 2017/2018, KIBT conducted the consultancy for 2 companies on its own initiative.
 - Develop the guidelines (curricula and syllabus) and implementation tools (textbooks and teaching manuals)
 - Develop the new curricula for SMEs (KJ-PRIME)
 - Revise the guidelines/tools and use them in the CRTs for TCs /the training programs for pilot enterprises.
 - Establishment of an implementation mechanism for continuously providing new business service (2)
 - Supporting the establishment of implementation mechanism through conducting the Model Training Programs for SMEs
 - Collaboration activities with related organizations
 - Implementation of Model Training Program for Toyota Kenya, JKUAT and Pilot Enterprises

- Implementation of Training Program of Trainers in the 3rd year with collaborators (KNCCI, KIRDI, NPCC, Internal Trade)
- ii. [Output 2] Training of KIBT lecturers as master trainers and trainers: Activities in Output 2 include:
- Train 9 Master Trainers (MTs) in ‘Practice Training Process’.
 - It was confirmed that trained MTs had achieved the target indicators.
 - Train 9 Trainers Candidates (TCs) who belong to the collaborators (KNCCI, NPCC, KIRDI, and Internal Trade)
 - It was confirmed that trained TCs had achieved the target indicators.
 - Train 3 TCs (KIBT Lecturers) on management skills
 - It was confirmed that trained TCs had achieved the target indicators.
- iii. [Output 3] Indications of Improvement by On-Site Consultancy and dissemination of the results:
- Assess the results of on-site consultancy in the 3rd year
 - The results of achievement was implemented. The average improvement ratio among all the pilot enterprises for 3 years was 25.9% (the target was ‘more than 20%’.)
 - The customer satisfaction survey was conducted. The average satisfaction among all the pilot enterprises for 3 years was 93.3% (the target was ‘more than 80%’.)
 - Disseminate the results
 - 3rd Result Dissemination Seminar was held on June 22 (Fri.), 2018. The number of the total participants was 162 (manufacturing enterprises, service enterprises, government officials, universities, etc.). The results of the project activities was presented. 3 pilot enterprises explained the outcomes from on-site consultancy.
 - As for KIBT PR materials, Best Practice DVD (case study of Megh Cushion Industries) was completed and it was shown in the 3rd Result Dissemination Seminar. It would be presented in Africa KAIZEN Annual Conference.

Min 5: 26/6/2018 Way Forward

- i. Mr. Takeshi Fujita, Leader of JICA Project Team, highlighted on the sustainability challenges of the project as indicated on the evaluation of the monitoring team:

- Out of the trained lecturers at KIBT 6MTs and 5TCs have been promoted and are transferred to other departments in MoITC and are leaving. He stressed on the need to put strategies to utilize the trained human resource for sustainability of the HRD-ID project.
- A 1-year extension of the project has been granted to find a way to enhance the sustainability of the project activities and strengthening the relationship between KIBT and its collaborators in areas such as:
 - Establishment of a coordinating committee to provide training and consultancy services with an objective of finding practical ways of collaborations among members for provision of business services for MSMEs. Members would be drawn from JCC(TC) and other potential organizations to meet 3-4 times in 2018 and 2019
 - Training of Trainers on new curriculum (ToT on Business plan) this will ensure trainers obtain necessary knowledge and hence enhance practical skills through actual instruction to the business executives of pilot SMEs. 20 trainer candidates will be nominated by KIBT and trained
 - Monitoring cycle of continuous provision of business services by KIBT.
- Overall activities will include;
 - African KAIZEN Annual Conference to be held in Durban, SA on 2nd -4th July, 2018 to be attended by 6 persons from Kenya.
 - Training Program in Malaysia to be tentatively planned for January 2019.
 - The 6th Joint Coordinating Committee(JCC) to be in July 2019
- He concluded by outlining the plan of operation which will begin in July 2018 to August, 2019.

i. After the presentations there were deliberations; some questions and suggestions were raised and they include;

- JICA had inquired how KIBT intended to involve other agencies and their coordinating mechanism on moving forward with the other players for which the Chair assured the team that a meeting for all collaborators would be convened by KIBT as soon as possible to look into the modalities on way forward.
- Fujita commented that KIBT should make the strategy how it could accomplish the indicators set in the performance contract in 2018/2019. Due to the transfer of human resource from KIBT, the number of the lecturers would be reduced in the new FY. So, it is necessary to clarify the priority of the activities, so that KIBT would be able to implement with limited number of human resource.

- KIRDI confirmed they were ready for the collaboration and looked forward to be part of the meeting.
- KNCCI indicated they were in the process of starting an on-site consultancy for SMEs arm within the organization and were looking forward to having an MOU with KIBT to implement the program.
- NPCC indicated they were looking forward to the meeting so as to chart way forward in the project.
- JICA requested to be invited to the planned meeting of collaborators to strategies and also needed to know how KIBT intends to pick companies in collaboration with the other agencies.
- Toyota Kenya Academy commended the good work that the project has done for SMEs and the impact recorded so far and requested the team to consider reaching out to other SMEs outside Nairobi so that they too could benefit.
- The evaluation report for two companies carried out by KIBT would be completed and sent to JICA headquarters the soonest possible.

Min 6: 26/6/2018 Ceremony for certification of Master Trainers and Trainer Candidates

- Ms. Catherine Waweru welcomed the guests and gave her opening remarks thanking everyone for attendance, and pointing out the importance of the occasion for all the MTs and TCs in the 3rd phase as they look forward to receiving their certification for a job well done. She thanked the JICA experts for taking time to train the KIBT lecturers.
- Mr. Toshiyuki Machida, a representative from the Embassy of Japan in Kenya, made the remarks for celebrating the completion of the training program.
- The Chair went ahead and asked members to introduce themselves before handing over to the MC Mr. Nyakundi who called upon Mr. Fujita to award the certificates to both MTs, TCs in the third year and finally to the Trainers in Management skills.
- Mr. Okwemba gave his address on behalf of all MTs and TCs appreciating the experts for the skills imparted in the 3 areas; Finance, sales and Marketing and Production Quality & management.
- Mr. George Kiondo, Acting CEO, KNCCI, made a speech for celebrating the trainees and also reiterated their readiness to collaborate with KIBT as earlier stated in the JCC meeting.

There being no further business, the meeting adjourned at 1.00 PM. and members were invited for lunch.

MINUTES OF FIFTH JOINT COORDINATING COMMITTEE (JCC) OF JICA MEETING
HELD ON 10th July, 2019 AT TELPOSTA TOWERS 15TH FLOOR BOARD ROOM

Members Present

- | | |
|---------------------------|---|
| 1. Madam Fauzia Shauri | Director Administration; State Department for Trade |
| 2. Madam Catherine Waweru | Director KIBT |
| 3. Mr. Sujimoto | Japan Embassy |
| 4. Mr. Takeshi Fujita | JICA Expert |
| 5. Kaori Yuki | JICA Expert |
| 6. Mr. Nyakundi | KIBT Co coordinator of the JICA project. |
| 7. Mr Gideon Njogu | KIBT |
| 8. Madam Njeri Miring'u | KIBT |
| 9. Madam Agnes Ndinda | KIBT |
| 10. Mr. Michael Njoroge | KIBT |
| 11. Emi Grita | JICA office, Kenya |
| 12. Mr Sumi | Japan Embassy |
| 13. Madam Ann Olupendi | JICA office, Kenya |

Agenda

1. Remark by Director KIBT
2. Remark by Mr. Satoshi Sugimoto, Senior Representative JICA
3. Remarks by Principal Secretary – State Department for Trade
4. Results of the project activities
5. Discussions and way Forward
6. Any Other Business

Minute No. 01. 10/7/2019 Preliminaries

The meeting was called to order by the Director Administration, State department for Trade, Madam Fauzia Shauri at 2.22 pm. The member's present made brief self-introduction. The minutes of the 4th Joint Coordinating Committee meeting were read by Madam Catherine (Director KIBT) and confirmed as true records of the previous meetings by JICA office in Kenya; Mr. Sujimoto, seconded by Mr. Nyakundi.

Minute No. 02. 10/7/2019 Remarks by the Permanent Secretary (P.S.) (Dr. Chris Kiptoo); State Department of Trade

The Director Administration read the speech on behalf of the PS. He emphasized on the importance of manufacturing. There is need for SMEs to produce quality products. Where emphasized the need for collaborations like the one KIBT has had with JICA. He acknowledged successes of the project as previously cited in four annual meetings since it started and appreciated the effort made by KIBT and JICA.

Minute No. 03. 10/7/2019 remarks from Mr. Sujimoto representative of JICA office in Kenya

They appreciated the good work done by KIBT and the generally the state department for trade. The collaborations with the counties and universities has been good. Appreciate good progress of project by master trainers and other experts. He mentioned that JICA did a KAIZEN Annual Conference in Tunisia where two Kenyan companies participated; Utravetis East Africa LTD. and Pipe Manufacturers LTD. He did mention that there were financial constraints in the course of the project but appreciated the continued commitment by KIBT. He appreciated continuous commitment, 2nd half of this year, extension to the counties will start. KAIZEN is still the main target as an important component of JICA support. TICAD 7 to be held in Tokyo in August. Activities done in Tunisia will be presented during this time.

Minute No. 04. 10/7/2019 Results of the project activities for the past four years (Mr. Nyakundi; H.O.D. Projects and Consultancy)

Mr. Nyakundi took the members through a very comprehensive explanation of the results of JICA project activities achieved over the years through power points and handout. He said that the project started in September 2015 – August 2019. The project site was Nairobi and its surroundings. KIBT identified 6 areas to work in. JICA trained master trainers who subsequently trained trainer candidates. Some of the highlights or the presentation on the project activities were:

Output 1: It established implementation structure for the new training and consultancy programs for SMEs at KIBT.

- Confirm the inclusion of new business services into KIBT's annual work plan
 - Develop the guidelines (curricula and syllabus) and implementation tools (textbooks and teaching manuals); e.g. Develop the new curricula for SMEs (KJ-PRIME)
- *KJ-PRIME (Kenya/Japan Program for Innovation and Management Excellence)
- The modules of training and consultancy developed in this Project based on Japanese management excellence

- Uniqueness
- Two Modules
- Supporting the establishment of implementation mechanism through conducting the Model Training Programs for SMEs
- Collaboration activities with related organizations
- Establishment of Coordinating Committee to enhance the cooperation with various collaborators (in one-year extended period)

Output 2: KIBT lecturers for the new training and consultancy programs for SMEs were empowered

- Train 11 Master Trainer Candidates (MTCs)
- Train 18 Trainer Candidates (TCs)
 - [2016/2017] 9 KIBT Lecturers
 - [2017/2018] 9 people who belong to the collaborators (KNCCI, NPCC, KIRDI, and Internal Trade)
- Develop 3 Trainers on management skills
- Develop 7 TCs on business plan

Output 3: Indications to show business performance improvement at selected pilot enterprises were found.

- Assess the results of on-site consultancy
- Result of on-site consultancy impact survey
 - 18 out of 21 pilot enterprises sustained 5S at factory and administration office. 18 pilot enterprises also sustained other management improvement activities, such as visual control and waste elimination at workshop, the system of frequent communication with customers, periodical financial reporting system.
 - In 11 enterprises out of 21 enterprises, sales were increased comparing before and after the consultancy. The average ratio of sales increase was 15.1%.
 - In 12 enterprises out of 21 enterprises, the number of employees were increased comparing before and after the consultancy. The average ratio of sales increase was 18.2%.
 - In 10 enterprises out of 21 enterprises, the expansion of business areas, including building new factories and sales offices, was completed comparing before and after the consultancy.
 - More than 70% of pilot enterprises mentioned that the concept of maintaining good organization of workshops was understood by most of members of the company. The working culture was changed.
- Disseminate the results

Overall Activities

- Joint Coordinating Committee (JCC) and Technical Committee
 - 1st JCC 13th October 2015 Board Room , Teleposta Building
 - 1st TC 23rd February 2016 Weight & Measures Hall
 - 2nd JCC 30th August 2016 Board Room , Teleposta Building
 - 2nd TC 8th December 2016 Weight & Measures Hall
 - 3rd TC 4th April 2017 Weight & Measures Meeting Room
 - 3rd JCC 13th July 2017 Board Room, Teleposta Building
 - 4th TC 14th November 2017 Weight & Measures Board Room
 - 4th JCC 19th April 2018 Board Room, Teleposta Building
 - 5th TC 26th June 2018 Weight & Measures Meeting Room
 - 5th JCC 10th July 2019 Board Room, Teleposta Building
- Training program in Japan (Sep. 2016)
- Study Trip to Malaysia (Jan. 2019)
- Participation in KAIZEN Knowledge Sharing Seminar (renamed Africa KAIZEN Annual Conference)
 - 1st in Addis Ababa, Ethiopia (March 23-25, 2016)
 - 2nd in Nairobi, Kenya (April 26-28, 2017)
 - Co-organized by JICA, NEPAD and the GOK (KIBT and NPCC)
 - 3rd in Durban, South Africa (July 2-4, 2018)
 - 4th in Tunis, Tunisia (June 24-26, 2019)

Minute No. 05. 10/7/2019 Achievements (Mr. Fujita, JICA expert)

Mr. Fujita took the members through the achievements. The purpose of the project was to achieve 3 outputs as summarized below:

Output 1: Establishment of an implementation mechanism for continuously providing new business service (1)

- In KIBT Annual Work Plans in 4 years (2016/2017, 2017/2018, 2018/2019 and 2019/2020), new business services developed in the Project (on-site consultancy for SMEs) was included.

- In 2017/2018, KIBT conducted consultancy service (5S audit and providing recommendations) for 2 enterprises, without the support from JICA experts. In 2018/2019, KIBT reached MOU of on-site consultancy with 3 enterprises and started the consultancy in October 2018.
- The curricula of new business training for SMEs was named as KJ-PRIME, and promoted under the Re-Branding Strategy.
- The 1st version of training guidelines and training tool were completed in the 1st year. The MTCs have been revising them and conducting the CRTs for TCs in the 2nd and 3rd year.
- In the 3rd year, the MTCs conducted the model training programs for pilot enterprises, utilizing the revised guidelines and tools.
- 60% (25 enterprises) of candidate enterprises (total 42 enterprises for visit study) was introduced by collaborators in the 3 years. In the 3rd year, the joint teams among JICA experts, the KIBT MTCs and the TCs from collaborators (KNCCI, NPCC, KIRDI, and Internal Trade) conducted on-site consultancy for all of the 7 pilot enterprises. The ratio of consultation done by the joint teams was 33% (7 out of total 21 enterprises).

Output 2: Training of KIBT lecturers as master trainers and trainers (1)

- All of 10 selected MTCs cleared the indicators at the 1st assessment in August 2016. They proceeded to the process of ‘Training of Master Trainer- Practice Process’ in the 2nd and 3rd year.
- 1 MTC in Financial Management Field left KIBT in March 2017. To supplement the MT, a TC who was trained in the 2nd year has joined the training program as a MTC since October 2017.
- In November 2017, 1 MTC in Marketing and Sales Field was transferred to a KIBT regional office and he could not participate in the training program.
- 8 MTCs completed the achievement indicators set in the final assessment in June 2018 and they received the certification as the MT. 9 KIBT lecturers were trained as the TCs in the 2nd year. All of them passed the achievement indicators at the assessment in July 2017.
- 9 TCs from the collaborators have been trained in the 3rd year. They are expected to clear the achievement indicators in June 2018.

Output 3: Indications of Improvement by On-Site Consultancy and dissemination of the results (1)

- 5S is practiced in all of 21 pilot enterprises for the 3 years.
- According to the on-site consultancy impact assessment, most of the pilot enterprises (18 out of 21 enterprises) have continued 5S activities after the completion of on-site consultancy.
- The improvement ratio of business process (including waste elimination) was 25.9% on average in all the pilot enterprises (21 enterprises) for the 3 years.

- Developed KIBT promotion materials (leaflets, banners and Consultancy Guide) have been used in KIBT's own activities, including entrepreneurs training programs, since August 2016.
- The best practice DVD (the case of Megh Cushion Industries Ltd.) was completed in the beginning of June 2018. It was shown in the 3rd result dissemination seminar (June 22, 2018) and AKAC 2018 (July 2018).

Project Purpose: Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.

[Indicator 1] Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.

- According to the results of questionnaire to the pilot enterprises, their satisfaction level for on-site consultancy for the 3 years was 93.3% (the average of all 21 enterprises).

[Indicator 2] "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.

- New consultancy services for SMEs were included in KIBT's annual plans between 2016/2017 and 2019/2020.
- In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts.

Proposal for Achieving Overall Goals in 3-5 years after the Project

Overall Goals: Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.

[Indicator 1] Real sales value is increased by 10% per year.

- According to On-site Consultancy Impact Assessment, the average ratio of sales increase in 21 pilot enterprises was 15.1%.
- If KIBT sustains on-site consultancy, KIBT would be able to support the increase of the sales value of beneficiaries (SMEs) by the set indicator.
- In order to sustain on-site consultancy, the necessary budget for conducting on-site consultancy should be provided by MoITC.
- In addition, KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, which some cost of consultancy will be covered by the enterprises.

[Indicator 2] More than 100 SMEs are provided consultancy services.

- In order to sustain the consultancy, KIBT needs to continuously train the new staff and the staff in KIBT regional offices by the trained MTs and Trainers. In addition, the necessary budget should be provided to KIBT by MoITC, in order that KIBT provides on-site consultancy, as well as training internal human resources.
- So as to achieve the indicator, the KIBT collaborators, whose staff were trained as the Trainers, namely, NPCC, KNCCI, KIRDI and Internal Trade, are also expected to provide on-site consultancy. KIBT should continue to provide training on the consultancy for them.
- In order to encourage them to conduct consultancy and also monitor the results, KIBT should maintain the periodical networking meeting with its collaborators. It is suggested that holding the networking meetings among the public BDS for MSMEs should be mandated as one of the activities of KIBT. The necessary budget for the activities above should be provided by MoITC.

Challenges

- Transfer of the trained MTCs and TCs to other departments or other ministries.
- Delay of the Project activities due to the presidential elections in 2017
- Budget constraint of KIBT for providing Meal Allowance for MTs

It can therefore be concluded that productivity of most of SMEs remains relatively low due to lack of managerial and technical skills. There is a strong need for SMEs business training and on-site consultancy, in order to enhance their capacities for growth. SMEs/Entrepreneurs have more difficulty with access to finance than larger firms; higher interest rate, shorter maturity of loan and have more strict collateral requirements.

Minute No. 06. 10/7/2019 Directors KIBT speech

Madam Catherine Waweru gave a report on the summary of Africa KAIZEN Annual Conference 2019. She thanked JICA for sponsoring the trip to Tunisia. In the interest of time, she led the members through the recommendations (on page 2 of the handout). She urged members to go through the document to internalize more.

The way forward as presented by Mr. Fujita and JICA Kenya Office

Based on the results and the findings of the Project, Fujita and JICA Kenya Office introduced the draft concepts of a post HRD-ID Project to the JCC members. It focuses on the provision of Business Development Services to the SMEs.

Open forum for reactions

Director KIBT

Madam Catherine thanked JICA on behalf of the Kenya Government and KIBT for all the support given in form of trainings among other things. She indicated that are ready to move on and even extend the benefits of the project to the counties. She hoped that the master trainers can train the new staff. ‘We are ready for the next level of the project’, she said.

Gideon (Master trainer)

Appreciated the ministry, specifically the State Department for Trade. He said that they were facilitated appropriately financially which enabled them to carry out training activities among many other things. He also mentioned that one of the biggest lessons learnt was that KAIZEN is a life concept, it is a way of life, not just for SMEs. Hence, mechanism should be put in place starting with our homes at KIBT in the ministry, we should be a model public institution of KAIZEN implementation, and then move up extend to other ministries.

The director thanked members for attending the meeting. Mr. Nyakundi appreciated the support during his tenure as a coordinator especially in the JICA office at KIBT. Mr. Fujita appreciated Kenyans for all the patience and support given even when they pushed for tight deadlines. Ms. Olubendi, JICA Kenya Office, pleaded that the collaboration of the Ministry; KIBT and JICA has been good and should continue, even in consultancy and other projects so as to fully achieve what Mr. Fujita started.

Mr. Sugimoto (JICA Kenya)

In Japan, most of the companies have continued to apply Kaizen. He suggested that Kenyan companies should continue applying it. He also said that that the presentations were well done and quite comprehensive. However there was still a lot to do e.g. Financing SMEs

Accounting & Documentation

Pleased to continue working with Kenyan government

Madam Shauri said the government will have continued supporting SMEs so as to realize manufacturing agenda. JICA to continue financing instruments assessment (criteria) tough but commended KIBT for achieving and having outputs.

Focus areas of improvement as the project continues

JICA Kenya Office urged the Kenyan companies to ensure that they continued with KAIZEN 5S concept so as to improve productivity. JICA Kenya Office was thanked for the work done of achievement of the project's targets.

The Director KIBT appreciated each of the members indicated that the government will continue collaborating with JICA equip the SMEs and manufacturers with the needed skills which will go a long way towards improving the economic growth of the country. She congratulated the whole team at KIBT. She was glad that JICA expectations were met and even surpassed.

[END]

Project Completion Report

Project Title: The Project on Human Resource Development for Industrial Development

Name: Catherine Waweru

Title: Project Manager, Director of KIBT

Name: Takeshi Fujita

Title: Chief Advisor/ Collaboration Promotion /

General Business Skill, JICA Project Team

Submission Date: June 28, 2019

I. Basic Information of the Project

1. Country: The Republic of Kenya

2. Title of the Project: The Project on Human Resource Development for Industrial Development

3. Duration of the Project :

[Planned] From September 2015 to August 2018

[Actual] From September 2015 to August 2019 including one-year extension

*The original period of the Project was 3 years from September 2015 to August 2018. In the 4th Joint Coordinating Committee (JCC) Meeting on April 19, 2018, one-year extension of the Project duration was proposed by JICA, in order to strengthen the relationship between KIBT and its collaborators, considering the sustainability of the results of the Project. The extension was finally agreed by both the Ministry of Industry, Trade and Cooperatives (MoITC) and JICA in May 2018 and the amendment of a Record of Discussions was made.

4. Background (from Record of Discussions(R/D)):

In the face of ICT explosion, economic liberalization and globalization, the small and medium sized enterprise (SME) sector in Kenya remains the entry point for majority of the business starters. The sector is generally characterized by ease of entry; small-scale operations; family ownership; reliance on indigenous resources; intensive use of labour; unregistered outfits; low ICT adaption; skills acquired outside the formal sector; and unsuitable work-sites.

The high mortality rate of SMEs in Kenya (about 80 percent before their 5th year) could partly be attributed to lack of business management skills. Only about 20% of them have benefited

from quality training while about 35% have received mediocre training. The remaining 45% have never been trained. The significance of this scenario is that majority of the SMEs are either under-served or un-served leaving them exposed to weakness and threats. It is against this backdrop that priority should be given to intervention measures geared toward addressing the challenges faced by the SMEs.

It is generally recognized that SMEs face unique challenges which affect their start, growth, profitability and hence, diminish their ability to contribute effectively to sustainable development. Some of the challenges include; inadequate managerial training and experiences, inadequate education and skills, limited access to affordable credit, inadequate market access and scanty markets information, low quality product, poor infrastructure, fragmented supply chain, stiff competition and poorly served business premises.

Kenya's blue print and national strategy for development known as Vision 2030 aims at making Kenya a newly-industrializing middle-income country capable of providing a high quality of life for all its citizens by the year 2030. For superior performance of the manufacturing sector, one strategy includes strengthening employment in the coming years. This, according to Kenya's Vision 2030, can be accomplished by enhancing productivity and competitiveness of SMEs through human resource development.

5. Overall Goal and Project Purpose (from Record of Discussions(R/D))

[Overall Goal]

Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.

[Project Purpose]

Quality of services (new training and consultancy programs for SMEs) that KIBT¹ provides is strengthened.

6. Implementing Agency

Kenya Institute of Business Training, Ministry of Industry, Trade and Cooperatives (MoITC)

¹ Kenya Institute of Business Training

II. Results of the Project

1. Results of the Project

1-1 Input by the Japanese side (Planned and Actual)

(1) Total cost provided by Japanese side

Plan: 428 million Japanese Yen² / Actual 414 million Japanese Yen³

* The above cost includes the allowance provided to the Master Trainer Candidates (MTCs) by JICA (about 127 thousand Japanese Yen). There is an allowance for KIBT staff, called 'Meal Allowance', which is paid to the staff when they are engaged in job duties outside KIBT or the headquarter of the ministry. The initial agreement of this Project stipulated that such a cost would be borne by the Government of Kenya (KIBT). However, due to the budget constraint, the allowance was not paid to the MTCs in the 2nd year (2016/2017), when they participated in the activities of the JICA Project. It was said to be a factor demotivating the MTCs.

At the end of September 2017, KIBT made a request to JICA project team to consider providing the allowance for the MTCs. JICA project team discussed with JICA HQ and JICA Kenya Office on the possibility of the provision of the allowance. After careful consideration, at the end of October 2017, it was decided on exceptional basis to provide the allowance for the MTCs according to the limitation of the budget of the Project, when the MTCs conducted on-site consultancy in the 3rd year. The attendance rate of the MTCs improved from then.

(2) Dispatch of experts

[Total number of experts dispatched] 10 experts

[Accumulative total number of dispatched experts] Plan: 49 times / Actual: 59 times

[Total MM] Plan: 80.50 MM / Actual: 94.54 MM

*The total MM as well as accumulative total number of dispatched experts were increased due to the increase of the activities, such as participation in KAIZEN Knowledge Sharing Seminars (Africa KAIZEN Annual Conference), planning and organization of KAIZEN Knowledge Sharing Seminar 2017 held in Nairobi, one-year extension of the Project. The details are shown in [Annex 1-1].

[Main Fields]

Leader / Collaboration Promotion / General Business Skill

Production & Quality Management

² This includes project operation cost, cost of provision of equipment, and cost provided by JICA Kenya Office.

³ This includes project operation cost, cost of provision of equipment, and cost provided by JICA Kenya Office.

Marketing and Sales
Financial Management
Public Relations
Coordinator/ Management of Training Component

(3) Training in Japan, Third Country Training and KAIZEN Knowledge Sharing
Seminars (Africa KAIZEN Annual Conference) : 29 participants

The outline of the implementation is shown below. The details are shown in [Annex 1-1].

(3)-1. Counterparts' Training programs in Japan: 12 participants

(a) For MTCs

[Theme] Training program on learning good management practices in Japan

[Date] From September 19 to October 1, 2016

[Objectives]

- To learn from the Japanese SMEs, which have been making great efforts of establishing excellent business process in the fields of 'production and quality management', 'marketing and sales', and 'financial management'.
- To acquire the advanced management concepts and tools practiced in Japan.

[Participants] 10 MTCs (KIBT lecturers)

(b) For Principal Secretary (Project Director) and KIBT Director (Project Manager)

[Theme] Program on learning SME promotion and industrial development

[Date] From September 26 to October 1, 2016

[Objective]

- To understand the mechanism of SMEs promotion for industrial development in Japan
- To enhance the network between the senior officials in charge of industrial development in Kenya and technical cooperation agencies in Japan

[Participants] 2 senior governmental officers (PS of MoITC and KIBT Director)

(3)-2. A Third Country Training: 5 participants

[Theme] Study Trip to Malaysia on Supporting Business Development of MSMEs

[Date] From January 14 to 20, 2019

[Objectives]

- To learn about the policy environment and strategies adopted to provide business development services (BDS) for MSMEs in Malaysia with a view to improving the current system of supporting MSMEs in Kenya

- To learn about the national policy of Malaysia for supporting MSMEs.
- To learn about the management system of Malaysian SMEs which is renowned for its excellence.
- To learn other BDSs (business matching, incubation and financial support) provided by Malaysian government.

[Participants] 5 senior officers from ministries and organizations related to supporting BD of MSMEs.

(3)-3 KAIZEN Knowledge Sharing Seminar (Africa KAIZEN Annual Conference: AKAC): 12 participants

The KAIZEN Knowledge Dissemination Seminar was held for the purpose of building networks among KAIZEN promoting institutions in Africa and sharing best practices on KAIZEN implementation and policy interventions. The counterparts and JICA related personnel of the JICA KAIZEN projects, as well as the representatives from other African countries who has the interest in promoting KAIZEN, participated in the seminar. The outline of the seminar, including the names of the participants, is shown in Table 1.

Table 1: Outline of KAIZEN Knowledge Sharing Seminars (AKAC)

No	Title	Period	Venue	No. of Part.	Participants from Kenya
1	KAIZEN Knowledge Sharing Seminar 2016	March 23-25, 2016	Addis Ababa, Ethiopia	93	1)Mr. Stephen Kirui, Director, KIBT 2)Mr. John Munguti, Director, NPCC 3)Mr. Nelson Gaitho, KIBT *Mr. Kiyonori Matsushima, JICA Kenya *Ms. Anne Olubendi, JICA Kenya *Mr. Takeshi Fujita, JICA Project Team
2	KAIZEN Knowledge Sharing Seminar 2017	April 26-28, 2017	Nairobi, Kenya	127	34 participants from KIBT, its collaborators (NPCC, KNCCI, SDT-MoITC, etc.) and JICA project team,
3	Africa KAIZEN Annual Conference 2018	June 2-4, 2018	Durban, South Africa	150	1)Hon. Bahari Ali, Chief Administrative Secretary, MoLSP 2)Ms. Catherine Waweru, Acting Director, KIBT 3)Mr. Patrick Nyakundi, KIBT 4)Mr. Samuel Mulei, NPCC 5)Mr. Timothy Jessop, Advisor, Megh Cushion Industries LTD. *Mr. Takeshi Fujita, JICA Project Team
4	Africa KAIZEN Annual Conference 2019	June 24-26, 2019	Tunis, Tunisia	215	1)Ms. Catherine Waweru, Acting Director, KIBT 2)Mr. Gideon Njogu, KIBT 3)Ms. Emily Kagendo Mutegi, NPCC 4)Ms. Regina Irungu, Production Manager, Ultravetis East Africa Ltd. *Ms. Anne Olubendi, JICA Kenya *Mr. Takeshi Fujita, JICA Project Team

(4) Machinery and Equipment: 7.7 million Japanese Yen

Table 2: Provision of equipment

Item	Quantity	Value
Projector	3	161,000 Yen
Laptop computer	5	834,000 Yen
Digital camcorder	3	87,000 Yen
Copy machine	1	1,328,000 Yen
Vehicle	1	USD 43,120 (about 4.3 million Yen)

(5) Cost provided by JICA Kenya Office

About 2.2 million Japanese Yen was provided for sending the Principal Secretary of MoITC (Project Director) and KIBT Director (Project Manager) to 'Program on learning SME promotion and industrial development' in Japan from September 26 to October 1, 2016. It enhanced their understanding on the policy and the programs for developing SMEs and their human resource in Japan. It led to smooth implementation of the project activities.

1-2 Input by the Kenyan side (Planned and Actual)

(1) Counterpart personnel

As the total, 44 counterpart personnel are provided to the Project (Annex 1-1).

They include: 2 project managers, 2 project coordinators, 11 MTCs, 16 Trainers Candidates (TCs) (7 KIBT lecturers and 9 staff from KIBT collaborators), 5 TCs on business plan (from KIBT collaborators), 1 participants to Training Program in Japan, 3 participants to Third Country Training in Malaysia, and 4 participants to KAIZEN Knowledge Sharing Seminars and AKACs.

(2) Other

Suitable office space with necessary equipment and access to the internet were prepared. The petrol cost and maintenance cost for the vehicle which JICA had provided was also provided.

1-3 Activities (Planned and Actual)

The Plan of the Operation of the Project is shown in [Annex 1-2].

2. Achievements of the Project

2-1 Status of Achievement of PDM

The status of the achievement of the indicators in the PDM of the Project are shown in Table 3.

Table 3: Status of Achievement of PDM

Narrative Summary		Indicators	Status (Based on the indicators)	Achievement Status	Remarks
Overall Goal	Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.	1. Real sales value is increased by 10% per year.	<ul style="list-style-type: none"> ● According to on-site consultancy impact assessment, the average ratio of sales increase in 21 pilot enterprises was 15.1%. If KIBT sustains on-site consultancy, the set indicator will be achieved. ● In order to sustain on-site consultancy, the necessary budget for conducting on-site consultancy should be provided by MoITC. In addition, KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, where some cost of consultancy will be covered by the enterprises. 	○	
		2. More than 100 SMEs are provided consultancy services.	<ul style="list-style-type: none"> ● KIBT and its collaborators provided the consultancy service for more than 40 enterprises in 2018/2019 and they also have the plan to provide consultancy for the same number of the enterprises in 2019/2020. If it also stands in 2020/2021, the total will exceed 100 enterprises in the next 3 years. ● In order to achieve this indicator, the followings are proposed. <ul style="list-style-type: none"> ➢ KIBT needs to continuously train the new staff and the staff in KIBT regional offices, as well as the staff of the collaborators, by utilizing the trained MTs and Trainers. ➢ KIBT should maintain the periodical networking meeting with its collaborators, in order to encourage them to conduct consultancy and monitor the results. KIBT should be mandated to host the networking meetings among the public BDS providers for MSMEs as one of the activities by MoITC. ➢ The necessary budget for the activities above should be provided by MoITC. 	△	
Project Purpose	Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.	1. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.	<ul style="list-style-type: none"> ● Satisfaction level of the pilot enterprises for the 3 years was 93.3%. 	◎	
		2. "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.	<ul style="list-style-type: none"> ● New consultancy services for SMEs were included in KIBT's annual plans between 2016/2017 and 2019/2020. ● In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts. 	◎	
Outputs	1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.	1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed.	<ul style="list-style-type: none"> ● KIBT has made 4 annual work plans in 2016/2017, 2017/2018, 2018/2019 and 2019/2020, without assistance from the JICA project team. In these plans, new business services developed in the Project were included. 	◎	
		1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project.	<ul style="list-style-type: none"> ● The 1st version of training guidelines and training tool were completed in the 1st year. MTs and Trainers revised training guidelines / tools and conducted the CRTs for TCs and model training programs for pilot enterprises in the 2nd and 3rd year. The training guidelines and training tools were revised based on the results of on-site consultancy for the 3 years. 	◎	

Narrative Summary		Indicators	Status (Based on the indicators)	Achievement Status	Remarks
		1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.	<ul style="list-style-type: none"> ● 33.3% of consultancy (7 out of 21) was conducted by the joint team (KIBT and its collaborators) in the 3 years. ● The ratio of the enterprises which was introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises). 	◎	
	2. KIBT lecturers for the new training and consultancy programs for SMEs are empowered.	2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers.	<ul style="list-style-type: none"> ● 8 MTCs, who were trained for 3 years as planned, completed achievement indicators set in the final assessment in June 2018 and they received the certification as the MT. ● 1 MTC (financial management field) left KIBT in March 2017. 1 Trainer who had been trained in the 2nd year became an MTC and he was trained in the 3rd year. In the final assessment, he was yet to be certified, since he needed to have more practical experiences of on-site consultancy before being certified as the MT. ● 1 MTC (marketing and sales field) was transferred to a KIBT regional office in November 2017 and he could not participate in the training program of MTC. However, he has utilized the skills obtained for providing business training and consultancy for the SMEs in the region, since he moved. 	◎	
		2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.	<ul style="list-style-type: none"> ● All of the 9 TCs (KIBT lecturers) in the 2nd year passed the achievement indicators. ● All of the 9 TCs (the staff of the collaborators) in the 3rd year passed the achievement indicators. 	◎	
	3. Indications to show business performance improvement at selected pilot enterprises are found.	3-1. 5S is practiced by all pilot enterprises.	<ul style="list-style-type: none"> ● In the assessment of the achievement in the end of all the 3 years (July 2016, June 2017 and June 2018), 5S was practiced in all of 21 pilot enterprises for the 3 years. 	◎	
		3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on the team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).	<ul style="list-style-type: none"> ● The improvement ratio of business process (including waste elimination) was 25.9% on average in all the pilot enterprises (21 enterprises) for 3 years. 	◎	
		3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.	<ul style="list-style-type: none"> ● The developed promotional materials (leaflet, banners, consulting guide, and the best practice DVD) have been used (distributed) for promoting business training and consultancy services to the enterprises in the KIBT training programs, as well as business clinics. 	◎	

◎Achieved ○Expected to be achieved △There are the risks for the achievements ✕Difficult to be achieved

2-2 Outputs and indicators

(1) Output 1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.

[Indicator 1-1] Annual work plan(s) based on the new training and consultancy programs, including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts, are developed.

- Since the commencement of the Project, KIBT has made 4 annual work plans in 2016/2017, 2017/2018, 2018/2019 and 2019/2020, without assistance from the JICA project team. In these plans, new business services developed in the Project were included.
- In the annual work plan of 2017/2018, the target indicator of the number of on-site consultancy was set at 8 enterprises, which were more than 6 pilot enterprises in the 3rd year of the Project. Actually, the on-site consultancy for 8 enterprises were implemented, including 2 enterprises by KIBT itself.
- In 2018/2019, which was after the technical transfer on consultancy skills by JICA experts, the number of consultancy firms was set at 10 firms in a year. After some of the MTs served the role as the facilitator of the management training under JICA OVOP in Embu County, Bomet County and Kakamega County, KIBT agreed with two of these counties (Bomet and Kakamega) to provide on-site consultancy for the MSMEs in the counties. KIBT actually implemented the on-site consultancy for 4 firms without the assistance of Japanese experts, but it fell short of the set target.
- Apart from Bomet and Kakamega County Governments, KIBT has finalized the MOUs for the provision of entrepreneurship and business training / on site consultancy with the following organizations:
 - County Governments: Nakuru, Meru, Kirinyaga, and Embu
 - Universities: Kabarak University, Management University of Africa, Kenyatta University and University of Embu
 - Financial institution: Post Bank
 - Industrial associations: KNCCI and KAM
- Based on the analysis on KIBT current activities, KIBT made the strategy of Re-Branding of KIBT in November 2016, for enhancing the awareness of KIBT's service among private sector and other potential partners, in collaboration with the JICA experts. New business training for SMEs was modified as KJ-PRIME (Kenya and Japan Programs for Innovation and Management Excellence), and it has been promoted as one of the main activities of KIBT under the Re-Branding Strategy. Based on the curricula of KJ-PRIME, the model training programs have been implemented in

collaboration with Toyota Kenya and JKUAT. In addition, the model training programs on 6 new curriculums under KJ-PRIME have been implemented in the 3rd year of the Project. Through the implementation of these programs, the implementation mechanism, including updating the needs of the SMEs, revising the guidelines and implementation tools, and developing the capacity of the MTCs as the instructors, has been gradually established.

[Indicator 1-2] Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project.

- The 1st version of training guidelines (curricula and syllabus) and training tool (textbooks and training manuals) were completed in the 1st year. The MTCs have been revising them and conducting the CRTs for TCs and model training programs for pilot enterprises.
- The training guidelines (curricula and syllabus) and training tools were revised based on the results of on-site consultancy for the 3 years.
- In the extended period of the Project, JICA project team and KIBT completed the guidelines and tools for the training programs on business plan. They were used in the Training of Trainers (TOT) on business plan in October 2018 and the model training programs on business plan for business executives in March 2019.

[Indicator 1-3] At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.

- 67.4% (29 enterprises) of total candidate enterprises (43 enterprises for visit study) was introduced by the collaborators in the 3 years. The ratio of the enterprises which was introduced by the collaborators and actually selected as the pilot enterprises was 71.4% (15 enterprises out of 21 enterprises).
- The joint team among JICA experts, KIBT MTCs and the TCs from collaborators (KNCCI, NPCC, KIRDI, and Internal Trade) conducted on-site consultancy for all of the 7 pilot enterprises in the 3rd year. The rate of on-site consultancy done by the joint team was 33.3% (7 enterprises out of 21 enterprises) in the 3 years.
- In the extended period of the Project, the Coordinating Committee, which aimed at enhancing the collaboration with the external organizations, were held three times. In addition to the JCC member organizations, other organizations who were mandated to provide business development services for MSMEs and entrepreneurship, participated in the meeting. KIBT discussed with them the collaboration activities and implemented

business training in collaboration with some of the organizations, such as Kabarak University, Management University of Africa, Kenyatta University, University of Embu, Post Bank, KAM, KNCCI

(2) Output 2: KIBT lecturers for the new training and consultancy programs for SMEs are empowered.

[Indicator 2-1] All candidates of master trainers passed the criteria defined in the Project to become the master trainers.

- All of 10 MTCs cleared the indicators in four assessment criteria at the 1st assessment in August 2016. They proceeded to the process of 'Training of Master Trainer- Practice Process' in the 2nd and 3rd year.
- 1 MTC in Financial Management Field left KIBT in March 2017. To supplement the MTC, a Trainer who was trained in the 2nd year joined the training program as a MTC in October 2017.
- In November 2017, 1 MTC in Marketing and Sales Field was transferred to a KIBT regional office and it was found that he would not be able to participate in the training program of MTC. However, he has utilized the skills obtained for supporting the SMEs in the region, since he moved. He provided the business training by using the improved training tools and he has agreed with 4 enterprises (2 food, 1 textile and 1 metal) in Kisumu on the provision of on-site consultancy.
- Except the MTCs above, 8 MTs completed the achievement indicators set in the final assessment in June 2018 and they received the certification as the MT. As for 1 MTC who had joined the Practice Process of Training of MTC training program in the 3rd year, it was confirmed that he needed to have more practical experiences of on-site consultancy before being certified as the MT, since he went through the Practice Process of Training of MTC only for a year (the MTC is expected to experience the process for 2 years).

[Indicator 2-2] More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.

- 9 KIBT lecturers were trained as the TCs by the MTCs under the supervision of JICA experts in the 2nd year. All of them passed the achievement indicators at the assessment in July 2017.
- 9 TCs from the collaborators were trained by the MTCs under the supervision of JICA experts in the 3rd year. All of them passed the achievement indicators at the assessment in June 2018.

- In the 3rd year, 3 KIBT lecturers were trained as the trainers on management skills. All of them passed the achievement indicators at the assessment in June 2018.
- During the extended period of the Project, 7 TCs from KIBT and the collaborators were trained as the TCs on business plan. All of them passed the achievement indicators at the assessment in March 2019.

(3) Output 3: Indications to show business performance improvement at selected pilot enterprises are found.

[Indicator 3-1] 5S is practiced by all pilot enterprises.

- In the assessment of the achievement in the end of all the 3 years (July 2016, June 2017 and June 2018), 5S was practiced in all of 21 pilot enterprises for the 3 years.
- According to the on-site consultancy impact survey, most of the pilot enterprises (18 out of 21 enterprises) continued 5S activities after the completion of on-site consultancy.

[Indicator 3-2] Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed upon by the project team. (The improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).

- The improvement ratio of business process (including waste elimination) was 25.9% on average in all the pilot enterprises (21 enterprises) for 3 years (Table 4).

Table 4: Improvement Rate of Business Process by On-Site Consultancy

Number of pilot companies	Total
1st year (5 companies, 15 management fields)	38.6%
2nd year (9 companies, 21 management fields)	21.7%
3rd year (7 companies, 18 management fields)	26.9%
All average by number of companies (21 companies, 54 management fields)	25.9%

[Indicator 3-3] A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.

- Developed KIBT leaflets were distributed in the TICAD VI Side Event on August 27, 2016.
- The two banners on KIBT business service (one for business training for SMEs, and the other for consultancy) have been exhibited in most of the KIBT events, including result dissemination seminars and entrepreneurs training programs, since August 2016.
- Consulting Guide was completed in February 2018 and was distributed to the

participants in KIBT's events including 2nd and 3rd result dissemination seminars.

- The best practice DVD (the case of Megh Cushion Industries Ltd.) was completed in the beginning of June 2018. It was shown in the 3rd result dissemination seminar (June 22, 2018) and AKAC 2018 (July 2018).
- These materials have been and will be used for promoting business training and consultancy services to the enterprises in the KIBT training programs, as well as business clinics.

2-2 Project Purpose and indicators

Project Purpose: Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.

[Indicator 1] Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%.

- According to the satisfaction survey from the pilot enterprises for the 3 years, 93.3% of the pilot enterprises were satisfied with the results of on-site consultancy (Table 5).
- Table 5 also represents 'willingness to pay for consultancy' of pilot enterprises for the 3 years. Most of the enterprises showed the willingness to pay for consultancy, despite the variance in the amount of consultancy fee.

Table 5: Results of satisfaction survey from pilot enterprises for the 3 years

Satisfaction of pilot enterprises on consultancy service provided (45 responses out of expected 54 responses)		
Yes, very much	77.8 % (35)	93.3%
Yes	15.6% (7)	
Neutral	2.2% (1)	
Not so much	0.0% (0)	
Not at all	4.4% (2)	

Willingness to pay for consultancy (same size of consultancy as it was implemented in this Project) (43 responses out of expected 54 responses)	
0-10,000 KSH	4.7% (2)
10,001-50,000 KSH	20.9% (9)
50,001- 100,000 KSH	30.2% (13)
100,001- 200,000 KSH	20.9% (9)
200,001 – 500,000 KSH	11.6% (5)
More than 500,001 KSH	11.6% (5)

[Indicator 2] "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.

- As previously mentioned, new consultancy service for SMEs was included in KIBT's annual plan between 2016/2017 and 2019/2020.
- The curricula of new business service, KJ-PRIME, was developed in the 1st year of the Project. Based on the curriculum of KJ-PRIME, the model training programs were implemented in collaboration with Toyota Kenya, JKUAT and pilot enterprises of the Project. The MTCs and TCs played the role as instructors in the programs. KIBT


showed the strong intention to conduct the training programs based on the curriculum of KJ-PRIME in 2019/2020 FY.

- In the extended period of the Project, the guidelines and tools for the training program on business plan were developed. They were used in the TOT on business plan and the model training programs on business plan. In the TOT, 2 TCs from KIBT were trained and they were confirmed to be qualified as the trainers on business plan.
- These indicate the ownership of KIBT to conduct new business service through its own initiative.

3. History of PDM Modification

In the Project, the PDM was revised once. In the 2nd JCC on August 30, 2016, one of the PDM indicators below was proposed to be amended in order to adjust the indicator according to the reality of setting the themes of on-site consultancy especially in Marketing & Sales Field and Financial Management Field.

The original indicator was focused on waste elimination of the operation. However, after the starting of the on-site consultancy, KIBT-JICA team found that appropriate management plan/strategy/system was yet to be established in most of pilot enterprises. The waste elimination of the business processes could be promoted only after the management plan/strategy/system was created.

<p>[Original] 3.2 Waste in operation per pilot enterprise is reduced by 20% on average</p>		<p>[Proposed revision] 3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on both Japanese side and Kenyan side (the improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively)</p>
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After the discussion at the JCC, it was agreed by the JCC members to revise the PDM as it had been proposed. The Addendum to the Record of Discussions was signed on 7th September 2016.

4. Others

4-1 Results of Environmental and Social Considerations (if applicable)

Not applicable.

4-2 Results of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)

- According to on-site consultancy impact survey which was conducted 6 months after

the completion of the consultancy, in 11 enterprises out of 21 enterprises which were surveyed, the sales were increased comparing before and after the consultancy. The average ratio of sales increase was 15.1%. In addition, in 12 enterprises out of 21 enterprises which were surveyed, the number of employees had increased comparing before and after the consultancy. The average ratio of the increase was 18.2%.

- Based on the result, the on-site consultancy by KIBT-JICA team enhanced the business capacity of the pilot enterprises (SMEs). It may enable to increase the number of the employees and contribute to the poverty reduction in the long run.

III. Results of Joint Review

1. Results of Review based on DAC Evaluation Criteria

1-1 Relevance

The relevance was very high, due to the reasons below.

(1) Relevance with national development policy / industrial policy

- The Government of Kenya (GOK) aims to increase the level of the income through the promotion of newly industrializing country and manufacturing by maintaining an average GDP growth of 10 % in Kenya Vision 2030, in which the long-term development plan from 2008 to 2030 is indicated. In this Vision, the promotion of SMEs and their human resources development are mentioned as critical issues for strengthening the competitiveness and economic development.
- In the end of 2017, the GOK announced 'Big Four Agenda', as the part of the 3rd Medium Term Plan to achieve the Vision. 'Manufacturing' is regarded as one of four agenda and the indicators was set that Manufacturing Sector will occupy 20% of GDP by 2022 (from 9.2% in 2017).
- This Project, which aims at improving business performance of SMEs mainly in the manufacturing sector through human resource development, is relevant with these policies.

(2) Relevance with the needs of SMEs

- According to the Detailed Planning Survey on the Project, various management issues of SMEs were found before the commencement of the Project. For example, the necessity of improving the capability of top executives was clarified, including the awareness of sharing management policy to all the levels of management, and the capacity of making management strategies and management plans. In addition, the issues, such as development of the capacity of middle managers, problem solving skill, motivation of subordinates, were considered. In production/quality management and marketing/sales, there were various issues, such as low productivity, inefficient production planning / control, lack of the capacity of sales staff and customer-oriented concept. As for financial management, basic document control and operation standard are not yet introduced in many Kenyan enterprises. Lastly, basic business skill of staff and operators should be enhanced.
- Therefore, this Project, which aims at solving these management issues by improving the quality of the services of business training and consultancy of KIBT, is relevant with the needs of the SMEs.

(3) Relevance with the policy of Japanese Government on Development Cooperation to Kenya

- In the policy of Japanese government on development cooperation to Kenya made in 2012, the major goal is set to the promotion of sustainable economic and social development by assisting the Kenya Vision 2030. In order to achieve it, the cooperation for human resource development is clarified as one of the main outputs to reduce poverty and support economic growth. In addition, the government of Japan also has the policy to improve the eco-system for promoting investment and business operation of Japanese companies in Kenya.
- This project contributes to the development of the human resource who can provide business training and consultancy for SMEs in Kenya. Eventually, the developed human resources will support business growth of SMEs in Kenya, as well as improvement of business process in Kenyan suppliers for Japanese companies.
- Therefore, this Project is relevant with the policy of Japanese government.

1-2 Effectiveness

The effectiveness was medium, due to the reasons below.

- First paragraph is deleted.
- Both 2 indicators of the Project Purpose, namely '[Indicator 1] Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%' and '[Indicator 2] "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.', were achieved.
- It was confirmed in the extended period of the Project that KIBT had been promoting new business services (business training and on-site consultancy for SMEs) as its regular activities in cooperation with its collaborators.

1-3 Impact

The Impacts were big, due to the reasons below.

(1) Prospects to achieve Overall Goal

It is expected that Overall Goal, 'Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators', will be achieved in 3 years after the completion of the project. The details are referred to 'IV. For the Achievement of Overall Goals after the Project Completion'

(2) Positive impacts

[On KIBT's activities]

In the extended period of the Project, the Coordinating Committee, which aimed at enhancing the collaboration with the external organizations, was established. In addition to the JCC member organizations, 3 universities (1 public and 2 private) who were mandated to provide training on business management and entrepreneurship, participated in the meeting. KIBT also has been working on having MOUs with other organizations, such as county governments, other universities, financial institutions, for the provision of entrepreneurship training and business training / on-site consultancy for MSMEs. Beyond the industrial organizations and public agencies, KIBT expanded the area of collaboration further than expected.

[On pilot enterprises]

According to on-site consultancy impact survey, the following positive impacts are shown as the results of on-site consultancy.

- In 11 enterprises out of 21 enterprises which were surveyed, the sales were increased comparing before and after the consultancy. The average ratio of sales increase was 15.1%.
- In 12 enterprises out of 21 enterprises which were surveyed, the number of employees had increased comparing before and after the consultancy. The average ratio of the increase was 18.2%.
- In 10 enterprises out of 21 enterprises which were surveyed, the expansion of business areas, including building new factories, was completed comparing before and after the consultancy.
- More than 70% of the pilot enterprises mentioned that the concept of maintaining good organization of workshops was understood by most of members of the company. The representatives of the company mentioned that the working culture had been changed.
- Implementation of 5S gave good impression and the sense of assurance of the company to the customers. A Company obtained a new deal by making various efforts including inviting its customer to the workshop. The business grew to be one of the core businesses of the company.
- The main bank appreciates the good management of financial data. A CEO in B Company mentioned that it resulted in the good relationship with the bank, which may make the process of provision of loan from the bank smoother.

(3) Negative impacts

There is no negative impact due to the implementation of this Project.

1-4 Efficiency

The efficiency was high, due to the reasons below.

- During the Project, the operation cost was increased due to the cost for additional activities, such as participation in KAIZEN Knowledge Sharing Seminars (Africa KAIZEN Annual Conference), planning and organization of KAIZEN Knowledge Sharing Seminar 2017 in Nairobi. The cost used for the main project activities is less than the plan (Plan⁴: 418 million Japanese Yen → Actual: 404 million Japanese Yen). It enabled the team to consider and provide the necessary allowance to the MTCs, in order to enhance their motivation.
- As it is previously explained, the project period was extended for one year, in order to enhance the sustainability of the Project Activities. The activities designed were to establish a 'coordinating committee' for enhancing the cooperation with organizations in charge of business development services (BDSs) for SMEs, to implement the training of trainers on business plan, and to conduct the study on BDSs for MSMEs. Due to the one-year extension, the total MM was increased by 11.89 MM.
- In order to convert the project activities into the Outputs efficiently, JICA project team implemented the activities based on the needs of the beneficiaries and practical applicability. For example, in providing on-site consultancy for pilot enterprises, JICA project team instructed the MTCs and TCs to provide realistic and practical proposals to the pilot enterprises, in order that the pilot enterprises can easily apply them, based on the concrete understanding of the real issues which each enterprise has. In training the MTCs and TCs, JICA experts focused on the transfer of practical skills rather than theoretical knowledge. The experts took the MTCs and the TCs to actual workshops (factories, sales shops, the offices of the customers / suppliers of pilot enterprises, etc.), and encouraged them to find practical solutions to convince top executives of pilot enterprises of their applications based on the facts. This approach led to the achievements of the outputs, such as business improvement of pilot enterprises, skill development of MTCs and TCs.

⁴ This amount is the project implementation cost based on the contract between JICA and the contractor (Japan Productivity Center).

1-5 Sustainability

Sustainability was medium, due to the reasons below.

(1) Policy and institutional aspect

- Under the national development policy, Kenya Vision 2030, the GOK promoted SMEs and industrial human resource, in order to strengthen the competitiveness and economic development in Kenya.
- In the end of 2017, the GOK announced 'Big Four Agenda', as the part of the 3rd Medium Term Plan to achieve the Vision. 'Manufacturing' is regarded as one of 4 agenda and the indicators was set that Manufacturing Sector will occupy 20% of GDP by 2022 (from 9.2% in 2017).
- Although trained 10 KIBT lecturers (5 MTs and 5 Trainers in the 2nd year) moved from KIBT during the Project period, MoITC allocated 12 new staff (including 2 Trainers in the 2nd year) to KIBT as the lecturers in May 2019. This indicates MoITC's strong intention to enhance the capacity of KIBT for supporting SMEs through the provision of business training and consultancy.
- Through the Coordinating Committee in the extended period of the Project as the trigger, KIBT has enhanced the cooperation with its collaborators (industrial organizations, governmental agencies, universities, county governments, financial institutions).
- Therefore, organizational sustainability is high.

(2) Technical aspect

- While trained 10 KIBT lecturers (5 MTs and 5 Trainers in the 2nd year) moved from KIBT during the Project period, MoITC allocated 12 new staff (including 2 Trainers in the 2nd year) to KIBT as the lecturers in May 2019. In order to sustain the consultancy, KIBT needs to continuously train the new staff and the staff in KIBT regional offices by the trained MTs and Trainers. The necessary budget should be provided to KIBT by MoITC, in order that KIBT trains internal human resources.
- The training guidelines (curricula and syllabus) and training tools (textbooks and training manuals) in 6 model training programs were developed during the Project period. The MTCs and Trainers have been revising them and conducting the CRTs for TCs and model training programs for pilot enterprises.
- Therefore, technical sustainability is medium.

(3) Financial aspects

- According to the Medium-Term Expenditure Framework (MTEF) issued in March 2019, the budget amount which are planned to be allocated to KIBT in 2017/2018-2020/2021

shows the trend of gradual increase (Table 6). The increased part is expected to be allocated to the new business services (business training and consultancy for SMEs).

- However, the provision of the budget is sometimes delayed and reduced due to the limitation of the total expenditure of the GOK. For sustaining the results of the Project as well as securing the expansion of the mandates of KIBT, the provision of budget allocation is a crucial issue. It should be continuously monitored.
- KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, where some cost of consultancy will be covered by the enterprises. Although KIBT has been discussing with 6 county governments on cost sharing among the county government, beneficiaries and KIBT for provision business training and consultancy, the efforts for establishing the cost sharing system should be enhanced.
- Therefore, financial sustainability is medium.

Table 6: Budget allocation to KIBT in MTEF

Financial Year (FY)	2017/2018	2018/2019	2019/2020	2020/2021
Recurrent Total (KES)	83,006,824	93,178,680	96,739,734	99,249,894
Development Budget for Parkland Building (KES)	11,000,000	102,000,000	240,000,000	0

2. Key Factors Affecting Implementation and Outcomes

There are 2 factors (one precondition and one important assumption) which affected the implementation of the Project.

2-1 Precondition: A sufficient budget is secured to at least maintain the KIBT's routine and planned activities.

[Cause]

- There is an allowance for KIBT staff, called 'Meal Allowance', which is paid to the staff when they are engaged in job duties outside KIBT or the headquarter of the ministry. The initial agreement of this Project stipulates that the cost of allowances would be borne by the Government of Kenya (KIBT).
- However, due to the budget constraint, the allowance was not paid to the MTCs in the 2nd year, when they participated in the activities of the JICA Project. It was said to be a factor demotivating the MTCs.

[Action to be taken]

- At the end of September 2017, KIBT made a request to JICA project team to consider providing the allowance for the MTCs. JICA project team discussed with JICA HQ and JICA Kenya Office on the possibility of the provision of the allowance.
- After the careful consideration, in the end of October 2017, it was decided on exceptional basis to provide the allowance for the MTCs according to the limitation of the budget of the Project, when the MTCs conducted on-site consultancy in the 3rd year. The attendance rate of the MTCs has been improving since then.

2-2 Important assumption: KIBT lecturers who are trained under the Project remain in KIBT, if not in the Industrial Human Resource Development sector in Kenya.

[Cause]

- In March 2017, 12 lecturers (7 MTCs and 5 TCs) applied for promotion in the other departments of the State Department for Trade. It was assumed that KIBT lecturers might have to apply to the post in the other departments, since there was no post for promotion open within KIBT. Consequently, there were some MTCs and TCs whose attendance ratio of on-site consultancy was relatively low.
- In June 2017, it was confirmed that 11 lecturers (6 MTCs and 5 TCs) were informed that they had been promoted and transferred to the other departments. A critical issue of losing the counterparts for technical transfer occurred.

[Action to be taken]

- JICA Kenya Office reacted it immediately and proposed to the Principal Secretary (PS) of MoITC, so that these lecturers would stay at least until the end of the Project, in order to complete necessary technical transfer. In the middle of September 2017, the letter from the PS that instructed the promoted lecturers to remain KIBT until the end of the Project period was issued and sent to the lecturers.
- As the result, the promoted MTs and TCs remained at KIBT until June 2018 and completed the training program. In the beginning of July 2018, after the end of the initial period of the Project, the 10 promoted KIBT lecturers (5 MTs and 5 Trainers in the 2nd year) moved to other departments of MoITC.

3. Evaluation on the results of the Project Risk Management

[Actions undertaken by Japanese side]

- JICA Kenya Office has taken strong initiatives for the commencement and the implementation of the Project. For example, in order to enhance the understanding on

the importance of policies and programs to support SMEs, the visit of the Principal Secretary to Japan was implemented in September 2016 and the travel arrangements were made by JICA Kenya office.

- Considering the issues of the transfer of KIBT lecturers in July 2017, JICA Kenya Office reacted it immediately and proposed to the Principal Secretary (PS) of MoITC, so that these lecturers would stay at least until the end of the Project, in order to complete necessary technical transfer. As the result, the letter from the PS that instructed the promoted lecturers to remain in KIBT until the end of the Project period was issued and it was sent to each lecturer in the middle of September 2017.
- Considering budget constraint of KIBT for providing Meal Allowance for MTCs, JICA decided to provide the allowance for the MTCs on exceptional basis, when the MTCs conducted on-site consultancy in the 3rd year.
- In the extended period, JICA Kenya Office provided the opportunity for the MTs and the Trainers of the Project to play the roles of the facilitator's in the management training and the consultancy under JICA One Village One Product (OVOP) in Embu County, Bomet County and Kakamega County. It helped to enhance their capacity, as well as to expand the on-site consultancy activity of KIBT in these regions.

[Actions undertaken by Kenyan side]

- The Government of Kenya (MoITC) has provided necessary conditions for facilitating the implementation of the Project.
- As for the transfer of KIBT lecturers, the PS issued the letter that instructed the promoted lecturers to remain KIBT until the end of the Project in September 2017.

4. Lessons Learnt

The followings are the main lessons learnt in the course of the implementation of the Project.

目

4-1 Applicable business management methods to the SMEs in Kenya

In order to enhance the capacities of the SMEs in Kenya, the provision of business training and consultancy by KIBT and its collaborators can help the SMEs to solve management issues. Based on the experiences of implementation of business training and on-site consultancy in the Project, the following management concepts and methods were accepted by the pilot enterprises and they created practical results.

- (a) Production & Quality Management → 5S, KAIZEN, visual control, improvement of production process / work operation, inventory control, QC 7 tools / QC Circle
- (b) Marketing & Sales → Marketing strategies based on the voice of the customers, sales management, training of sales staff, approaches for new product development
- (c) Financial Management → Simple financial template, periodical provision of financial reports for quick decision making, setting Key Performance Indicators such as break-even points, profitability, safety, cash flow

In addition, based on the feedback of the participants of the model training programs, the following training programs were found to be practical and useful to enhance the development of business and management functions of SMEs.

- Management strategies and planning for executives
- Business plan for executives of micro & SMEs
- Business skills for new graduates
- Management skills for middle managers and supervisors

4-2 Effective combination of provision of on-site consultancy and business training

In this Project, the model training programs on 5 modules (management strategy & planning, production & quality management, marketing & sales, financial management and management skills) were implemented for executives and managers in pilot enterprises after the completion of the on-site consultancy (in the 3rd year of the Project). Since most of the pilot enterprises requested for the follow-up after the completion of the consultancy⁵, it became a good opportunity to support the sustainability of the results of on-site consultancy in the pilot enterprises. In addition, after some of the outcomes are created through on-site consultancy, top executives need to train the persons in charge of actual operations on how to sustain the outcomes. Therefore, the combination of on-site consultancy and business training, namely 'provision of business training to the staff in charge' after 'on-site consultancy' is very effective, so that the enterprise sustains the results of the on-site consultancy.

4-3 A practical approach to training program on business plan

In the extended period of the Project, the training programs on business plan for enterprises were implemented. In a 5-days program, one day was allocated for the participants to make a business plan for their own enterprise based on their own management information and financial data. In order to make the participating enterprises create a business plan as

⁵ Based on the results of on-site consultancy impact survey

appropriate as possible, the KIBT-JICA team encouraged each enterprise to send 2-3 directors / managers in charge of different departments to the same training program. The Trainers on Business Plan and JICA experts, like the mentors, assisted each enterprise for improving the business plan. It was evaluated as very practical by the participants, since they could use the plan soon after the program.

4-4 Challenges which MSMEs and public BDS providers are facing

Based on the study on business development services (BDS) for MSMEs which was conducted in the extended period of the Project, the MSMEs/entrepreneurs have more difficulty with access to finance than larger firms, due to higher interest rate, shorter maturity of loan and more strict collateral requirements.

On the other hand, there is a limitation of sustainable BDS provision only through public sector. It is because of:

- Lack of network and coordination between public BDS providers, as well as between public and private BDS providers
- Frequent transfer of the trained human resource
- Limited provision of BDSs, due to the limitation of budget and human resource, and also the lack of practical model of the service provision (including cost sharing system, information sharing system, etc.)

Therefore, One-Stop Service of BDS by public BDP providers is not yet provided for MSMEs. The inclusion of private BDS providers should be considered and the necessary eco-system should be prepared.

IV. For the Achievement of Overall Goals after the Project Completion

1. Prospects to achieve Overall Goal

Overall Goal (To Achieve in 3 years after the End of the Project) : Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.

[Indicator 1] Real sales value is increased by 10% per year.

- According to On-site Consultancy Impact Assessment, the average ratio of sales increase in 21 pilot enterprises was 15.1%. If KIBT sustains on-site consultancy, KIBT would be able to support the increase of the sales value of beneficiaries (SMEs) by the set indicator.

[Indicator 2] More than 100 SMEs are provided consultancy services.

- So as to achieve the indicator, KIBT and its collaborators, whose staff were trained as the Trainers, namely, NPCC, KNCCI, KIRDI and Internal Trade, are expected to provide on-site consultancy.
- Table 7 shows the numbers of the enterprises for which KIBT and the collaborators provided and plan to provide consultancy service, according to the interview and their work plan. They provided the service for more than 40 enterprises in 2018/2019 and they also have the plan to provide consultancy for the same number of the enterprises in 2019/2020. If it also stands in 2020/2021, the total will exceed 100 enterprises in the next 3 years,

Table 7: Result / plan of number of enterprises which KIBT /collaborators provide consultancy

	2018/2019 (Actual)	2019/2020 (Plan)
KIBT	4	10
NPCC	30 (including one public sector)	20
KIRDI	5	5
KNCCI	6	6
Total	45	41

2. Plan of Operation and Implementation Structure of the Kenyan side to achieve Overall Goal

In order to achieve Overall Goal, the activities which should be implemented by the Kenyan side are '1. To conduct consultancy for SMEs', '2. To conduct training on consultancy for

KIBT collaborators' and '3. To organize periodical networking meeting with KIBT collaborators'. The plan of operation proposed is shown in Table 8. KIBT is expected to facilitate these activities in collaboration with its collaborators. KIBT also needs to continuously work for the increase in the number of the collaborators in order to improve its quality of the services.

Table 8: Plan of Operation for Achieving Overall Goal

Plan of Operation	In charge	2019/2020	2020/2021	2021/2022
1. To conduct consultancy for SMEs - Selection - Consideration of cooperation - Implementation - Assessment	KIBT/collaborators	Jan Apr Jul Oct ★ ★ ★★★★★ ★	Jan Apr Jul Oct ★ ★ ★★★★★ ★	Jan Apr Jul Oct ★ ★ ★★★★★ ★
2. To conduct training on consultancy for KIBT collaborators - Planning - Recruitment of participants - Implementation - Assessment	KIBT	★ ★ ★ ★	★ ★ ★ ★	★ ★ ★ ★
3. To organize periodical networking meeting with KIBT collaborators - Re-selection of collaborators - Finalization of discussion topics - Implementation - Assessment	KIBT	★ ★ ★ ★	★ ★ ★ ★	★ ★ ★ ★

3. Recommendations for the Kenyan side

- In order to sustain on-site consultancy, the necessary budget for conducting on-site consultancy should be provided by MoITC. In addition, KIBT should establish appropriate cost sharing system among KIBT and the client enterprises, which some cost of consultancy will be covered by the enterprises. The JICA project team actually observed that KIBT had been discussing with 6 county governments on cost sharing among the county government, beneficiaries and KIBT for provision business training and consultancy. The efforts for establishing the cost sharing system should be enhanced.
- So as to achieve the indicators, KIBT and its collaborators, whose staff were trained as the Trainers, namely, NPCC, KNCCI, KIRDI and Internal Trade, are expected to provide on-site consultancy.
- In order to sustain the consultancy, KIBT needs to continuously train the new staff and the staff in KIBT regional offices by the trained MTs and Trainers, in order for the new staff to be able to complete entrepreneurship training and business training first (so that the MTs and Trainers can focus on providing on-site consultancy), and eventually to provide on-site consultancy by themselves. In addition, the necessary budget should be

provided to KIBT by MoITC, in order that KIBT provides on-site consultancy, as well as training internal human resources.

- KIBT should also continue to provide training on the consultancy for the collaborators. In addition, to encourage them to conduct consultancy and monitor the results, KIBT should maintain the periodical networking meeting with its collaborators like the Coordinating Committee, which was held in the extended period of the Project. It is suggested that holding the networking meetings among the public BDS for MSMEs should be mandated as one of the activities of KIBT. The necessary budget for the activities above should be provided by MoITC.

4. Monitoring Plan from the end of the Project to Ex-post Evaluation

KIBT is expected to share the status of sustainability of project activities after the completion of the Project. It is expected to have the periodical monitoring (approximately half a year) between KIBT and JICA Kenya Office to empower KIBT to sustain the activities for achieving Overall Goal.

[Indicators of Overall Goal]

[Indicator 1] Real sales value is increased by 10% per year.

[Indicator 2] More than 100 SMEs are provided consultancy services.

ANNEX 1: Results of the Project

(List of Dispatched Experts, List of Counterparts, List of Trainings, etc.)

ANNEX 2: List of Products (Report, Manuals, Handbooks, etc.) Produced by the Project

ANNEX 3: PDM (All versions of PDM)

ANNEX 4: R/D, M/M, Minutes of JCC (copy)

ANNEX 5: Monitoring Sheet (copy)

[Annex 1-1]

1. List of Dispatched Experts

Name	Field	Days (MM)	
		Planned	Actual
[Work in Japan]			
Takeshi Fujita (Mr)	Leader / Collaboration Promotion / General Business Skill	20 (1.00)	20 (1.00)
Natsuko Ueno (Ms)	Coordinator/ Management of Training Component	20 (1.00)	0 (0.00)
Yoshihiro Takeguchi (Mr)	Financial Management	0 (0.00)	7 (0.35)
Masayasu Okuyama (Mr)	Coordinator/ Management of Training Component	0 (0.00)	10 (0.50)
Kaori Yuki (Ms)	Coordinator/ Management of Training Component	0 (0.00)	10 (0.50)
[On-Site Work in Kenya]			
Takeshi Fujita (Mr)	Leader / Collaboration Promotion / General Business Skill	410 (13.67)	639 (21.30)
Takao Hayashi (Mr)	Production & Quality Management	495 (16.50)	495 (16.50)
Yoshihiro Aoumi (Mr)	Marketing and Sales	510 (17.00)	510 (17.00)
Yoshihiro Takeguchi (Mr)	Financial Management	495 (16.50)	567 (18.90)
Shu Nakajima (Mr)	Public Relations	90 (3.00)	90 (3.00)
Natsuko Ueno (Ms)	Coordinator/ Management of Training Component	355 (11.83)	64 (2.13)
Masayasu Okuyama (Mr)	Coordinator/ Management of Training Component	0 (0.00)	120 (4.00)
Hiroko Kodaka (Ms)	Coordinator/ Management of Training Component	0 (0.00)	57 (1.90)
Tomoyuki Yamada (Mr)	Coordinator/ Management of Training Component	0 (0.00)	22 (0.73)
Kaori Yuki (Ms)	Coordinator/ Management of Training Component	0 (0.00)	202 (6.73)
Total		(80.50)	(94.54)

2. List of Counterparts

(1) Counterpart personnel

No	Name	Title	Role in the Project
1	Mr. Stephen Kirui ¹	Director, KIBT	Project Manager Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia Participant of Training Program in Japan
2	Ms. Catherine Waweru ²	Acting Director, KIBT	Project Manager Participant of AKAC 2018 in South Africa Participant of the Study Trip to Malaysia Participant of AKAC 2019 in Tunisia
3	Mr. Nelson Gaitho ³	Senior Principal Lecturer, KIBT	Project Coordinator Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia
4	Mr. Patrick Nyakundi	Senior Principal Lecturer, KIBT	Project Coordinator Trainer (Trained in the 2 nd year) Participant of AKAC 2018 in South Africa Trainer on Management Skills (trained in the 3 rd year) Participant of the Study Trip to Malaysia
5	Ms. Carol Choge	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan Trainer on Business Plan (trained in the extended period)
6	Mr. Gideon Njogu	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan Trainer on Business Plan (trained in the extended period) Participant of AKAC 2019 in Tunisia
7	Mr. Musa Okwemba ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
8	Ms. Sylvia Kaburu ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
9	Mr. Jonathan Njogu	Senior Principal Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan

¹ Mr. Stephen Kirui retired from the government employment in January 2018.

² Ms. Catherine Waweru joined KIBT in September 2017.

³ Mr. Nelson Gaitho left KIBT and joined NPCC in March 2017.

⁴ 10 KIBT Lecturers (5 MTs: Mr. Musa Okwemba, Ms. Sylvia Kaburu, Ms. Pamela Onyango, Mr. Job Ogoah and Mr. Daniel Wechesa, 5 Trainers in 2nd year: Mr. John Koross, Mr. Solomon Kiawa, Ms. Roseline Mumbo, Mr. Amos Mulinge and Mr. Reuben Ngeno) were transferred to other department in MoITC in the beginning of July 2018.

10	Ms. Pamela Onyango ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
11	Mr. David Owitti ⁵	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
12	Mr. Job Ogolah ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
13	Mr. Daniel Wechesa ⁴	Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan
14	Mr. Samuel Mulei ⁶	Principal Lecturer, KIBT	Master Trainer (MT) Participant of Training Program in Japan Participant of AKAC 2018 in South Africa
15	Mr. John Munguti	Director, NPCC	Participant of KAIZEN Knowledge Sharing Seminar 2016 in Ethiopia
16	Dr. Chris Kiptoo	Principal Secretary, State Department of Trade, MOITC	Project Director Participant of Training Program in Japan
17	Mr. John Koross ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year) Trainer on Management Skills (trained in the 3 rd year)
18	Mr. Solomon Kiawa ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
19	Ms. Grace Fikirini	Graphic Designer, KIBT	Trainer (trained in the 2 nd year)
20	Ms. Roseline Mumbo ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year) Trainer on Management Skills (trained in the 3 rd year)
21	Mr. Amos Mulinge ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
22	Mr. Ben Getange	Lecturer, KIBT	Trainer (trained in the 2 nd year) Master Trainer Candidate in the 3 rd year
23	Mr. Patrick Mwaura	Lecturer, KIBT	Trainer (trained in the 2 nd year)
24	Mr. Reuben Ngeno ⁴	Lecturer, KIBT	Trainer (trained in the 2 nd year)
25	Hon. Bahari Ali,	Chief Administrative Secretary, MOLSP	Participant of AKAC 2018 in South Africa
26	Mr. Timothy Jessop	Advisor, Megh Cushion Industries LTD.	Participant of AKAC 2018 in South Africa
27	Ms. Agnes Mueni Sammy	Chief Human Resource Management Officer, KIRDI	Trainer (trained in the 3 rd year)
28	Ms. Emily Kagendo Mutegi	Productivity Officer, NPCC	Trainer (trained in the 3 rd year) Participant of AKAC 2019 in Tunisia
29	Ms. Wilbroda Namunapa Okaka	Productivity Officer, NPCC	Trainer (trained in the 3 rd year)
30	Mr. Alex Kachumo Tomereng	Principal, Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)

⁵ Mr. David Owitti was transferred from KIBT Nairobi Office to KIBT Kisumu Regional Office in the end of October 2017.

⁶ Mr. Samuel Mulei left KIBT and joined NPCC in March 2017.

31	Ms. Mabel Ambiyi Omurambi	Corporate Communications Officer, KNCCI	Trainer (trained in the 3 rd year)
32	Mr. Lucas R. W. Mwago	Principal Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)
33	Mr. Stephen Osedo	Graduate Management Trainee, KNCCI	Trainer (trained in the 3 rd year)
34	Mr. Tobias Odongo Ogondi	Trade Development Officer, Internal Trade, MoITC	Trainer (trained in the 3 rd year)
35	Mr. Japheth Atito	Trade Development Officer, Internal Trade	Trainer (trained in the 3 rd year)
36	Ms. Nancy Muya	Director of Industry, State Department of Industry, MoITC	Participant of the Study Trip to Malaysia
37	Ms. Zahara Haji	P.A to the CS, Ministry of Labour and Social Protection	Participant of the Study Trip to Malaysia
38	Mr. James Kitavi	County Executive Officer, Mombasa Office, KNCCI	Participant of the Study Trip to Malaysia
39	Mr. Stephen Kimani Kuria	Accountant and administrator, Toyota Kenya Foundation	Trainer on Business Plan (trained in the extended period)
40	Mr. Bosco Pius Olengiyaa	Productivity Officer II, NPCC	Trainer on Business Plan (trained in the extended period)
41	Ms. Emily Mwita Boke	Productivity Officer II, NPCC	Trainer on Business Plan (trained in the extended period)
42	Mr. Abdifatah Dakane	Membership Executive, KNCCI	Trainer on Business Plan (trained in the extended period)
43	Mr. George Oswald Ong'ondo	Trade Development Officer I, Internal Trade	Trainer on Business Plan (trained in the extended period)
44	Ms. Regina Irungu	Production Manager, Ultravetis East Africa Ltd.	Participant of AKAC 2019 in Tunisia

In addition, the staff including management of equipment, and secretariat jobs was also allocated by KIBT.

3. Outline of Training in Japan and Third Country Training

(1) Counterparts' Training programs in Japan

2 training programs in Japan below were implemented.

(a) For MTs- Training program on learning good management practices in Japan

This training in Japan was organized for the MTs who fulfilled the achievement indicators in the first assessment in the end of the 1st year, and who showed the strong commitment for training the trainers in the 2nd year. The outline of the training is shown below.

[Date] From September 19 to October 1, 2016

[Objectives]

- To learn from the Japanese SMEs, which have been making great efforts of establishing excellent business process in the fields of 'production and quality management', 'marketing and sales', and 'financial management'.
- To acquire the advanced management concepts and tools practiced in Japan.
- To understand the programs for assisting SMEs in Japan.
- To prepare the Action Plan after returning to Kenya.

[Participants] 10 MTs (all of them are KIBT lecturers)

Name	Title	Role in the Project	Visiting organizations
Ms. Carol Choge	Lecturer	Master Trainer (MT)	Japan Productivity Center, Itabashi Industrial Promotion Office, Toyota Motor, Chubu Productivity Center, Yamada Manufacturing, Saijo INX, Japan Union of Science and Engineering, Tomiyama Corp., Ricoh Logistics
Mr. Gideon Njogu	Lecturer	Master Trainer (MT)	
Mr. Musa Okwemba	Lecturer	Master Trainer (MT)	
Ms. Sylvia Kaburu	Lecturer	Master Trainer (MT)	
Mr. Jonathan Njogu	Senior Principal Lecturer	Master Trainer (MT)	
Ms. Pamella Onyango	Lecturer	Master Trainer (MT)	
Mr. David Owitti	Lecturer	Master Trainer (MT)	
Mr. Samuel Mulei	Principal Lecturer	Master Trainer (MT)	
Mr. Job Ogolah	Lecturer	Master Trainer (MT)	
Mr. Daniel Wechesa	Lecturer	Master Trainer (MT)	

(b) For Principal Secretary and KIBT Directors- Program on learning SME promotion and industrial development

[Date] From 26th September to 1st October, 2016

[Objective]

- To understand the mechanism of SMEs promotion for industrial development in Japan
- To enhance the network between the senior officials in charge of industrial development in Kenya and technical cooperation agencies in Japan

[Participants] Principal Secretary and two senior officials in charge of the Project

Name	Title	Role in the Project	Visiting organizations
Dr. Chris Kiptoo	Principal Secretary, State Department of Trade, Ministry of Industry, Trade and Cooperatives	Project Director	JICA, JETRO, METI, Harima Industry
Mr. Stephen Kirui	Director, KIBT	Project Manager	
Ms. Anne Olubendi	Senior Program Officer, JICA Kenya Office	Person In Charge of the Project	

(2) A Third Country Training - Study Trip to Malaysia on Supporting Business Development of MSMEs

The Third Country Training Program was initially designed that the trained trainers at KIBT obtain practical ideas to improve the quality of consultancy services of KIBT. However, due to the situation that many of the trained MTs and Trainers were expected to move from KIBT anytime, JICA and KIBT agreed on the postponement of the training in March 2018.

Considering the transfer of the trained trainers from KIBT, in order to sustain the results of the Project activities, KIBT needs to utilize the human resource outside KIBT. It is essential to strengthen the relationship between KIBT and its collaborators based on common strategies to support MSMEs in Kenya. Therefore, the objective of this training was changed to learn the system for supporting MSMEs, so that the strategies of providing necessary services for business development of MSMEs would be created in collaboration between KIBT and its collaborators. The target participants were changed to the senior officials of KIBT and its collaborators. The venue was set in Malaysia, since unique policies and programs have been implemented for promoting SMEs in Malaysia.

The draft of the program outline is shown below.

[Date] From January 14 to 20, 2019

[Objectives]

- To learn about the policy environment and strategies adopted to provide business development services (BDS) for MSMEs in Malaysia with a view to improving the current system of supporting MSMEs in Kenya
 - To learn about the national policy of Malaysia for supporting MSMEs.
 - To study MPC's company-support programs linked to productivity improvement
 - To learn about the management system of Malaysian SMEs (production / quality management, marketing / sales and financial management) which is renowned for its excellence.
 - To learn other BDSs (business matching, incubation and financial support) provided by Malaysian government.
 - To develop the action plan for improving the current system of supporting MSMEs in Kenya.

[Participants] 5 Senior officers from ministries and organizations related to supporting BD of MSMEs.

Name	Title	Organization	Visiting organizations
Ms. Nancy Muya	Director of Industry, State Department of Industry	Ministry of Industry, Trade and Cooperatives	SME Corp., MATRADE, MPC, Incubators (Technology Park Malaysia and MaGIC), SME Bank, NCCIM, SMEs supported by BDS-Providers
Ms. Catherine Waweru	Acting Director	KIBT	
Mr. Patrick Nyakundi	Senior Principal Lecturer	KIBT	
Ms. Zahara Haji	P.A to the CS	Ministry of Labor and Social Services	
Mr. James Kitavi	County Executive Officer, Mombasa Office / Chapter	KNCCI	

Monitoring

Inputs				Plan		2015				2016				2017				2018				2019			Remarks		Issue		Solution			
				Actual		1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9								
Expert																																
Takeshi Fujita (Leader / Collaboration Promotion / General Business Skill)				Plan																												
				Actual																												
Takao Hayashi (Production & Quality Management)				Plan																												
				Actual																												
Yoshihiro Aoumi (Marketing and Sales)				Plan																												
				Actual																												
Yoshihiro Takeguchi (Financial Management)				Plan																												
				Actual																												
Shu Nakajima (Public Relations)				Plan																												
				Actual																												
Natsuko Ueno / Masayasu Okuyama / Hiroko Kodaka / Kaori Yuki (Coordinator/ Management of Training Component)				Plan																												
				Actual																												
Equipment																																
Vehicle				Plan																												
				Actual																												
Laptop computers				Plan																												
				Actual																												
Projectors				Plan																												
				Actual																												
Multifunction printer				Plan																												
				Actual																												
Digital Camcorders				Plan																												
				Actual																												
Training in Japan																																
				Plan																												
				Actual																												
In-country/Third country Training																																
KAIZEN Knowledge Sharing Seminar in Ethiopia (March 2016) KAIZEN Knowledge Sharing Seminar in Kenya (April 2017) Africa KAIZEN Annual Conference 2018 in South Africa (July 2018) Third Country Training in Malaysia (January 2019) Africa KAIZEN Annual Conference 2019 in Tunisia (June 2019)				Plan																												
				Actual																												
Activities						Plan		2015				2016				2017				2018				2019			Responsible Organization		Achievements		Issue & Countermeasures	
Sub-Activities						Actual		1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	Japan	Kenya				
Output 1: Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.																																
1.1 Conduct analytical work on needs of private enterprises based on the existing data and/or information collected before the project commencement.				Plan																												
				Actual																												
1.2 Prepare a business plan on how to improve KIBT service(s) based on the finding(s) of the analytical work in Activity 1.1.				Plan																												
				Actual																												
1.3 Develop a guideline (curricula and syllabus) for the new training and consultancy programs for SMEs based on the needs identified in Activity 1.1.				Plan																												
				Actual																												
1.4 Develop implementation tools such as textbook(s) and teaching manual(s) based on the guideline.				Plan																												
				Actual																												

Output 3: Indications to show business performance improvement at selected pilot enterprises are found.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
3.1 Select at least 6 pilot enterprises per year from the list of enterprises recommended by KIBT and/or its collaborators.						Plan																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												

[Annex 2] List of Products Developed by the Project

1. Consultancy Tools

- (1) Consultancy management
- (2) Production & quality management
- (3) Marketing & sales
- (4) Financial management

2. Business Training Tools

No of Developed Curricula and Tools	Topics	Target	Duration
1	Management Strategy & Planning	Trainers	3 days
2		Executives & managers	2 days
3	Marketing / Sales	Trainers	5 days
4		Executives & managers	3 days
5	Production & Quality Management	Trainers	5 days
6		Executives & managers	3 days
7	Financial Management	Trainers	5 days
8		Executives & managers	3 days
9	Business / Management Skill	Trainers	3 days
10		Executives & managers	3 days
11	Business Plan	Trainers	5 days
12		Executives & managers	5 days

3. Promotion materials

- (1) KIBT leaflet
- (2) KJ-PRIME (Kenya Japan - Program for Innovation and Management Excellence)
*The new curricula of business training for SME
- (3) KIBT banners
- (4) Consulting guide
- (5) Best practice DVD based on the cases of on-site consultancy (Megh Cushion Industries LTD.)

[Annex 3-1] Project Design Matrix (PDM) - Version 0

Project Title: Project on Human Resource Development for Industrial Development

Implementation Agency: Kenya Institute of Business Training (KIBT)

Target Group: (Direct) KIBT staff members at professional level; (Indirect) Staff members at professional level at training institutions/ organizations that collaborate with KIBT, Enterprises that are receiving services from KIBT and/or its collaborators

Period of Project: Three (3) years from the date the first Japanese expert is dispatched

Project Site: Nairobi and surrounding areas

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions	Achievement	Remarks
Overall Goal Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.	1. Real sales value is increased by 10% per year. 2. More than 100 SMEs are provided consultancy services.	1. Result of surveys 2. Result of interviews	Business environment for private enterprises in Kenya does not deteriorate drastically.		
Project Purpose Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.	1. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%. 2. "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.	1. Project report(s) 2. Result of surveys 3. Result of interviews 4. Performance contract	Policy direction and strategies for industrial development do not face drastic change(s).		
Outputs 1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established. 2. KIBT lecturers for the new training and consultancy programs for SMEs are empowered. 3. Indications to show business performance improvement at selected pilot enterprises are found.	1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed. 1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project. 1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators. 2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers. 2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project. 3-1. 5S is practiced by all pilot enterprises. 3-2. Waste in operation per pilot enterprise is reduced by 20% on average. 3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.	1-1 Annual work plan(s) 1-2 Project report(s) 1-3 Result of interview(s) 2-1 Project report(s) 2-2 Result of assessment of the candidate of master trainers and other KIBT lectures 3-1 Activity report(s) per pilot enterprise produced in the Project. 3-2 Activity report(s) per pilot enterprise	- Scale of natural and/or man-made disaster that occur is not larger than what Kenya experienced in the past. . - KIBT lecturers who are trained under the Project remain in KIBT, if not in the Industrial Human Resource Development sector in Kenya. .		

		produced in the Project.			
		3-3 Other PR materials (DVD, leaflet)			

Activities	Input	Preconditions
		Issues and Countermeasures
<p>1.1 Conduct analytical work on needs of private enterprises based on the existing data and/or information collected before the project commencement.</p> <p>1.2 Prepare a business plan on how to improve KIBT service(s) based on the finding(s) of the analytical work in Activity 1.1.</p> <p>1.3 Develop a guideline (curricula and syllabus) for the new training and consultancy programs for SMEs based on the needs identified in Activity 1.1.</p> <p>1.4 Develop implementation tools such as textbook(s) and teaching manual(s) based on the guideline.</p> <p>1.5 Design an implementation mechanism such as 1) how to conduct needs assessment, 2) designing of training course, 3) implementation of service(s), 4) evaluation and 5) acquisition of new client(s) to conduct the new training and consultancy programs for SMEs.</p> <p>1.6 Form a collaboration mechanism at institutional level between KIBT and training institutions/ organizations to maximize quality and scope of business service(s) required by SMEs.</p> <p>2.1 Select at least three (3) lecturers per selected subject who are going to be trained as master trainers of the new training and consultancy programs.</p> <p>2.2 Set measureable indicators (achievement level(s)) for each KIBT lecturers who are selected as master trainers.</p> <p>2.3 Conduct the classroom training on the new training and consultancy programs to 1) candidates of master trainers by the Japanese experts and 2) other KIBT lectures by the master trainers.</p> <p>2.4 Organize on-site consultancy (based on the new training and consultancy programs) by the selected KIBT lecturers at selected enterprises¹.</p> <p>2.5 Establish a monitoring mechanism to check quality of services provided by KIBT and to provide feedback for continuous improvement.</p> <p>3.1 Select at least 6 pilot enterprises per year from the list of enterprises recommended by KIBT and/or its collaborators.</p> <p>3.2 Conduct a baseline survey to understand the current performance level(s) of the pilot enterprises in order to set measurable indicators to assess achievement level(s) throughout the project implementation.</p> <p>3.3 After completion of Activity 2.4, progress of achievement(s) is assessed in order to provide appropriate feedback based on the assessment result(s).</p> <p>3.4 Disseminate the compiled result(s) of the service(s) provided to the pilot enterprises.</p>	<p><u>Kenyan side</u></p> <ul style="list-style-type: none"> (a) Services of MEAAC&T's counterpart personnel and administrative personnel as referred to in II-6 of R/D; (b) Suitable office space with necessary equipment and access to internet; (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts, insurance and any other materials necessary for the implementation of the Project other than the equipment provided by JICA; (d) Means of transport and travel allowances for counterpart personnel for official travel within the Republic of Kenya; (e) Information as well as support in obtaining medical service; (f) Credentials or identification cards; (g) Available data (including maps and photographs) and information related to the Project; (h) Running expenses necessary for the implementation of the Project; (i) Expenses necessary for transportation within the Republic of Kenya of the equipment referred to in II-5 (1) of R/D as well as for the installation, operation and maintenance thereof; (j) Necessary facilities to the JICA experts for the remittance as well as utilization of the funds introduced into the Republic of Kenya from Japan in connection with the implementation of the Project; and (k) Allocation of necessary fund and other support for implementing the Project as a part of KIBT services in "Performance Contract between the Principal Secretary, State Department of Commerce and Tourism and Kenya Institute of Business Training". <p><u>Japanese side</u></p> <ul style="list-style-type: none"> (a) Dispatch of Experts Leader/ Collaboration Promotion/ Lecturer (General Business Skill) Public Relations Lecturer A (Production and Quality Management) Lecturer B (Management Strategy/ Marketing) Lecturer C (Financial Management) 	<ul style="list-style-type: none"> - A sufficient budget is secured to at least maintain the KIBT's routine and planned activities. - Selection of KIBT lecturers as members of the Project is completed.

¹ The on-site consultation will be carried out in phases – first phase (Japanese expert as a main advisor and candidates of master trainers as trainees), second phase (candidates of master trainers as main advisors and Japanese expert as supervisor), and third phase (master trainers as the main advisors and KIBT lectures as trainees)A-159

	<p>Project Coordination/ Assistance to management of training component</p> <p>Other necessary expert(s)</p> <p>(b) Training</p> <p>Subject: Practical approach to business management</p> <p>Method: Class room lecture, company visit</p> <p>Venue: Japan or third countries</p> <p>Participants: KIBT staff members at professional level</p> <p>Number of participants: Maximum nine (9) participants per training</p> <p>Number of training: Twice (2)</p> <p>(c) Machinery and Equipment</p> <p>Five (5) laptop computers</p> <p>Three (3) projectors</p> <p>One (1) multifunction printer (color printer, FAX, photocopier)</p> <p>Three (3) digital camcorders</p> <p>One (1) vehicle (4WD)</p> <p>(d) Other expenses necessary for the implementation of the Project</p> <p>Part of the cost for organizing trainings and seminars in Kenya</p> <p>Printing cost of training material</p>	
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[Annex 3-2] Project Design Matrix (PDM) - Version 1 and For Evaluation

Version: 1
Date: 10th July, 2019

Project Title: Project on Human Resource Development for Industrial Development

Implementation Agency: Kenya Institute of Business Training (KIBT)

Target Group: (Direct) KIBT staff members at professional level; (Indirect) Staff members at professional level at training institutions/ organizations that collaborate with KIBT, Enterprises that are receiving services from KIBT and/or its collaborators

Period of Project: Initially three (3) years from the date the first Japanese expert was dispatched (from 6th September 2015). The period was extended for one (1) year.

Project Site: Nairobi and surrounding areas

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions	Achievement	Remarks
Overall Goal Business performance(s) of existing SMEs are improved through enhanced human resource(s) developed by KIBT and/or its collaborators.	1. Real sales value is increased by 10% per year. 2. More than 100 SMEs are provided consultancy services.	1. Result of surveys 2. Result of interviews	Business environment for private enterprises in Kenya does not deteriorate drastically.	The achievements will be assessed in 3-5 years after the completion of the Project.	
Project Purpose Quality of services (new training and consultancy programs for SMEs) that KIBT provides is strengthened.	1. Satisfaction level of the pilot enterprises for the services provided by KIBT is more than 80%. 2. "The new training and consultancy programs" developed in the Project becomes one of the regular training program of KIBT.	1. Project report(s) 2. Result of surveys 3. Result of interviews 4. Performance contract	Policy direction and strategies for industrial development do not face drastic change(s).	1. Satisfaction level of the pilot enterprises for the 3 years was 93.3%. 2. New consultancy services for SMEs were included in KIBT's annual plans between 2016/2017 and 2019/2020. In 2018/2019, the consultancy for 4 MSMEs were implemented by KIBT without the assistance of JICA experts.	
Outputs 1. Implementation structure for the new training and consultancy programs for SMEs at KIBT is established.	1-1. Annual work plan(s) based on the new training and consultancy programs including plans on implementation schedule, human resource(s) and budget without assistance from the Japanese experts are developed. 1-2. Result of the implementation of the new training and consultancy programs at the pilot enterprises is reflected in the initial curricula and syllabus developed under the Project. 1-3. At least 30% of the on-site consultancy planned in the Project is done by a joint team consist of the candidates of master trainers and lecturers from KIBT collaborators.	1-1 Annual work plan(s) 1-2 Project report(s) 1-3 Result of interview(s)	- Scale of natural and/or man-made disaster that occur is not larger than what Kenya experienced in the past. - KIBT lecturers who are trained under the Project remain in KIBT, if not in the Industrial Human Resource Development sector in Kenya.	1-1 New consultancy services for SMEs were included in KIBT's annual plan, with schedule, human resources and budget between 2016/2017 and 2019/2020. It was developed without the assistance from Japanese experts. The new business services for SMEs, KJ-PRIME, was developed. KIBT has been working on having MOUs with various organizations, such as county governments, universities, for the provision of the services. 1-2 MTs and Trainers have been revising training guidelines and tools, based on the results of on-site consultancy. They also	

<p>2. KIBT lecturers for the new training and consultancy programs for SMEs are empowered.</p>	<p>2-1. All candidates of master trainers passed the criteria defined in the Project to become the master trainers.</p> <p>2-2. More than 90% of other KIBT lectures trained by the master trainers passed the competency level set in the Project.</p>	<p>2-1 Project report(s)</p> <p>2-2 Result of assessment of the candidate of master trainers and other KIBT lectures</p>	<p>conducted model training programs by utilizing them.</p> <p>1-3 60% (25/42) of candidate enterprises was introduced by collaborator in the 3 years. 33.3% of consultancy (7/21) was conducted by the joint team (KIBT and its collaborators) in the 3 years.</p> <p>2-1 10 MTCs passed the criteria at 1st assessment in the 1st Year. But 1 left KIBT in March 2017. 1 TC in the 2nd year has become an MTC and he was trained in the 3rd year. In November 2017, other 1 MT was transferred to a KIBT regional office and he could not continue to join the training program. However, he has utilized the skills obtained for supporting the SMEs in the region by providing training and consultancy in the region, since he moved.</p> <p>As the result, 8 MTs completed achievement indicators set in the final assessment in June 2018 and they received the certification as the MT.</p> <p>2-2. 9 TCs (KIBT lecturers) in the 2nd year passed the achievement indicators. 9 TCs (the staff of the collaborators) in the 3rd year also passed the achievement indicators.</p> <p>3-1. 5S was practiced in all of pilot enterprises for the 3 years.</p>	
<p>3. Indications to show business performance improvement at selected pilot enterprises are found.</p>	<p>3-1. 5S is practiced by all pilot enterprises.</p> <p>3-2. Business process is improved by 20% per pilot enterprise on average, based on the criteria agreed on the team. (the improvement of business process includes the reduction of waste in operation, the development of the plan/strategy/system for managing enterprises effectively).</p> <p>3-3. A promotion package on the new training and consultancy programs is distributed at KIBT business clinics.</p>	<p>3-1 Activity report(s) per pilot enterprise produced in the Project.</p> <p>3-2 Activity report(s) per pilot enterprise produced in the Project.</p> <p>3-3 Other PR materials (DVD, leaflet)</p>	<p>3-2. The improvement ratio of business process (including waste elimination) was 25.9% on average among 21 enterprises for the 3 years.</p> <p>3-3 Developed promotion materials (leaflets, banners) have been utilized in KIBT's own activities. Consultancy Guide was developed and distributed in KIBT activities. The best practice DVD was completed in June 2018 and it was shown in various activities of KIBT.</p>	

Activities	Input	Preconditions
<p>1.1 Conduct analytical work on needs of private enterprises based on the existing data and/or information collected before the project commencement.</p> <p>1.2 Prepare a business plan on how to improve KIBT service(s) based on the finding(s) of the analytical work in Activity 1.1.</p> <p>1.3 Develop a guideline (curricula and syllabus) for the new training and consultancy programs for SMEs based on the needs identified in Activity 1.1.</p> <p>1.4 Develop implementation tools such as textbook(s) and teaching manual(s) based on the guideline.</p> <p>1.5 Design an implementation mechanism such as 1) how to conduct needs assessment, 2) designing of training course, 3) implementation of service(s), 4) evaluation and 5) acquisition of new client(s) to conduct the new training and consultancy programs for SMEs.</p> <p>1.6 Form a collaboration mechanism at institutional level between KIBT and training institutions/ organizations to maximize quality and scope of business service(s) required by SMEs.</p> <p>2.1 Select at least three (3) lecturers per selected subject who are going to be trained as master trainers of the new training and consultancy programs.</p> <p>2.2 Set measureable indicators (achievement level(s)) for each KIBT lecturers who are selected as master trainers.</p> <p>2.3 Conduct the classroom training on the new training and consultancy programs to 1) candidates of master trainers by the Japanese experts and 2) other KIBT lectures by the master trainers.</p> <p>2.4 Organize on-site consultancy (based on the new training and consultancy programs) by the selected KIBT lecturers at selected enterprises¹.</p> <p>2.5 Establish a monitoring mechanism to check quality of services provided by KIBT and to provide feedback for continuous improvement.</p> <p>3.1 Select at least 6 pilot enterprises per year from the list of enterprises recommended by KIBT and/or its collaborators.</p> <p>3.2 Conduct a baseline survey to understand the current performance level(s) of the pilot enterprises in order to set measurable indicators to assess achievement level(s) throughout the project implementation.</p>	<p><u>Kenyan side</u></p> <ul style="list-style-type: none"> (a) Services of MEAAC&T's counterpart personnel and administrative personnel as referred to in II-6 of R/D; (b) Suitable office space with necessary equipment and access to internet; (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts, insurance and any other materials necessary for the implementation of the Project other than the equipment provided by JICA; (d) Means of transport and travel allowances for counterpart personnel for official travel within the Republic of Kenya; (e) Information as well as support in obtaining medical service; (f) Credentials or identification cards; (g) Available data (including maps and photographs) and information related to the Project; (h) Running expenses necessary for the implementation of the Project; (i) Expenses necessary for transportation within the Republic of Kenya of the equipment referred to in II-5 (1) of R/D as well as for the installation, operation and maintenance thereof; (j) Necessary facilities to the JICA experts for the remittance as well as utilization of the funds introduced into the Republic of Kenya from Japan in connection with the implementation of the Project; and (k) Allocation of necessary fund and other support for implementing the Project as a part of KIBT services in "Performance Contract between the Principal Secretary, State Department of Commerce and Tourism and Kenya Institute of Business Training". <p><u>Japanese side</u></p> <ul style="list-style-type: none"> (a) Dispatch of Experts Leader/ Collaboration Promotion/ Lecturer (General Business Skill) Public Relations Lecturer A (Production and Quality Management) Lecturer B (Management Strategy/ Marketing) Lecturer C (Financial Management) Project Coordination/ Assistance to management of training component Other necessary expert(s) (b) Training Subject: Practical approach to business management Method: Class room lecture, company visit Venue: Japan or third countries Participants: KIBT staff members at professional level 	<ul style="list-style-type: none"> - A sufficient budget is secured to at least maintain the KIBT's routine and planned activities. - Selection of KIBT lecturers as members of the Project is completed.

¹ The on-site consultation will be carried out in phases – first phase (Japanese expert as a main advisor and candidates of master trainers as trainees), second phase (candidates of master trainers as main advisors and Japanese expert as supervisor), and third phase (master trainers as the main advisors and KIBT lectures as trainees)A-163

<p>3.3 After completion of Activity 2.4, progress of achievement(s) is assessed in order to provide appropriate feedback based on the assessment result(s).</p> <p>3.4 Disseminate the compiled result(s) of the service(s) provided to the pilot enterprises.</p>	<p>Number of participants: Maximum nine (9) participants per training Number of training: Twice (2)</p> <p>(c) Machinery and Equipment Five (5) laptop computers Three (3) projectors One (1) multifunction printer (colour printer, FAX, photocopier) Three (3) digital camcorders One (1) vehicle (4WD)</p> <p>(d) Other expenses necessary for the implementation of the Project Part of the cost for organizing trainings and seminars in Kenya Printing cost of training material, allowance for MTs on on-site consultancy visit</p>	<p style="text-align: center;">Issues and Countermeasures</p> <p><u>Issue</u> (a) 14 lecturers (7 MTs and 7 TCs) applied to the promotion in the other departments of the State Department of Trade in March 2017. In June 2017, it was confirmed that 13 lecturers (6 MTs and 7 TCs) were promoted and transferred to the other departments. (b) Due to the uncertainty of political situation as well as unstable security status, with reference to the repeat presidential election in Kenya, some of the Project activities were needed to be delayed. (c) Necessary allowance (meal allowance) for MTs was not provided by the GoK, due to the budget limitation. It was said to be a factor demotivating the MTs for participating in the on-site consultancy.</p> <p><u>Countermeasure</u> (a) JICA Kenya Office proposed to the PS so that these lecturers would stay at least until the end of the Project, in order to complete necessary technical transfer. In the middle of September 2017, the letter from the PS that instructed the promoted lecturers to remain KIBT until the end of the Project period was issued and sent to the lecturers. They actually remained at KIBT until the end of June 2018 and completed technical transfer in the Project. In July 2018, 10 promoted lecturers (5 MTs and 5 Trainers) moved from KIBT. 2 Trainers moved back to KIBT in May 2019. (b) In consultation with JICA Kenya Office, JICA project team and KIBT agreed on the postpone of the 2nd result dissemination seminar to March 7, 2018. Some of the visits to pilot enterprises in October and November 2017 were postponed due to the security cautions in Nairobi. JICA experts and the MTs needed to implement on-site consultancy efficiently and intensively on the limited days. (c) JICA finally decided on exceptional basis to provide the allowance for the MTs, when the MTs conducted on-site consultancy in the 3rd year.</p>
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