(Kyrgyz Republic) Kyrgyz National University (Republic of Kazakhstan) Ministry of National Economy

# Kyrgyz Republic and the Republic of Kazakhstan Japan Center Projects in Central Asia Region (Kyrgyz and Kazakhstan)

March, 2019

**Final Report** 

Japan International Cooperation Agency

Relo Panasonic Excel International Co., L

IL
JR
19-014

# Table of Contemts

1.	Executive Summary
	1.1 The Kyrgyz Republic
	1.2 The Republic of Kazakhstan
	1.2.1 Production Quality Management
	1.2.2 SME Business Promotion
2.	<b>Overview of Work</b>
	2.1 Background of Work
	2.2 Purpose of Work
	2.2.1 Kyrgyz Republic
	2.2.2 Republic of Kazakhstan
	2.3 Target Countries
	2.4 Partner Country Relevant Organizations
	2.5 Project Overview
	2.5.1 Technical Cooperation Project in the Kyrgyz Republic
	2.5.2 Overview of Operations in Kazakhstan
3.	Activities in the Kyrgyz Republic
	3.1 Expert Dispatch/Results of Activities
	3.2 Mini MBA Course (A Courses)
	3.3 Special Seminars (Former E Course)
	3.4 Custmized Course (C Courses)
	3.5 Consultations, Indivisual Consultations, Free Consultations
	3.6 Regional Seminars
	<b>3.7 Open Seminars</b>
	<b>3.8 Training in Japan</b>
	3.9 Transfer of Technical Knowledge to Operate and Administer Business Courses
	3.10 Technical Transfer to the Local Instructors
	3.11 Customer Development and Needs Surveys
	3.12 Support for B Club Activities
	3.13 Coordination with Other JICA Projects
	3.14 Support for Improving KRJC Cash Flow
4.	Activity Results in the Kyrygz Republic
	4.1 Mini MBA Course (A Courses)

	4.2 Special Seminars (Former E Courses)	35
	4.3 Custmized Course (C Courses)	36
	4.4 Consultations,	37
	4.5 Regional Seminars	37
	4.6 Open Seminars	37
	4.7 Training in Japan	38
	4.8 Transfer of Technical Knowledge to Operate and Administer Business Courses	38
	4.9 Technical Transfer to Local Instructors	39
	4.10 Customer Development and Needs Surveys	39
	4.11 Support for B Club Activities	40
	4.12 Cooperation with Other JICA Projects	40
	4.13 Support for Improving KRJC Cash Flow	40
5.	Issues, Ideas, and Lessons from Managing the Project in the Kyrgyz Republic	42
	5.1 Mini MBA Course (A Course)	42
	5.2 Special Seminar (Former E Course)	43
	5.3 Custmized Course (C Course)	45
	5.4 Regional Seminars	45
	5.5 Training in Japan	46
	5.6 Transfer of Technical Knowledge to Operate and Administer Business Courses	47
	5.7 Technical Transfer to Local Instructors	48
	5.8 Customer Development and Needs Surveys	49
	5.9 Coordination with Other JICA Projects	49
6.	Action Plan for the Next Term in the Kyrgyz Republic	50
	6.1 Business START Course	50
	6.2 Mini MBA Course	51
	6.3 Special Seminar (Former ECourse)	53
7.	Activities in Kazakhstan	55
	7.1 Expert Dispach in Kazkhstan	55
	7.2 Implementation of Business Courses for 'Production Quality Management'	55
	7.2.1 Consulting Project.	55
	7.2.2 Practical KAIZEN Seminar (3 days seminar)	57
	7.2.3 KAIZEN Mini MBA - Introductory Course	58
	7.2.4 Technical Transfer to Local Instructors and Consultants	59

7.2.5 Transfer of Technical Knowledge to Operate and Administer Business Courses 60
7.2.6 Providing Information and Cooperation to Relevant Organizations
7.3 Activities in the field of promotion of small and medium enterprises
7.3.1 Collect information on small and medium enterprise promotion areas
7.3.2 Strengthening Support for Structure and Activity of KJC
8. Activity Results in Kazakhstan
8.1 Sales Results in 'Product Quality Management'
8.1.1 Consulting Project
8.1.2 Practical KAIZEN Seminar (3-day seminar)
8.1.3 Mini MBA KAIZEN - Introductory Course
8.1.4 Technical Transfer to Local Instructors and Consultants
8.1.5 Transfer of Technical Knowledge to Operate and Administer Business Courses 74
8.1.6 Providing Information and Cooperation to Relevant Organizations
8.2 Activity Results in 'SME Business Promotion'
8.2.1 Information Gathering on 'SME Business Promotion' Area
8.2.2 Strengthening Support for KJC Organization/Activities
9. Issues, Ideas, and Lessons from Managing the Project in Kazakhstan
9.1 Cooperation with Narxoz University
9.2 Strengthening the structure of the KJC and implementing business courses
9.2.1 Business Promotion System for KJC Courses
9.2.2 Efforts to Improve Profitability
9.2.3 Developing High Quality Local Consultants
9.3 Strengthen cooperation with other institutions

# List of Tables & Figures

Table 3.1-1	Expert Dispatch / Results of Activities in the Kyrgyz Republic	20
Table 4.1	Expected Outcome and Activitiy Results	33
Table 6.2-1	Proposed Schedule of R25 Mini MBA Course	51
Table 6.2-2	Proposed Schedule of R26 Mini MBA Course	52
Table 6.3-1	Proposed Schedule of R25Seminars	53
Table 6.3-2	Proposed Schedule of R26 Seminars	54
Table 7.1-1	Expert Dispatch / Results of Activities in Kazakhstan	55
Table 7.2-1	Consulting Project Participant Companies (2017)	56
Table 7.2-2	KAIZEN Mini MBA Course Graduates:	58
Table 7.3-2	Outline of KJC Business Plan	67
Figure 3.9-1	BC implementation flow diagram	29
Figure 7.3-1	Relationship Matrix for 'Demand of Narxoz University' and 'KJC Bus	siness Area'69

# List of Tables ANNEX1-1, 1-2

Table3.2-1	R21 Overview of 55 Participants Mini MBA Course	ANNEX1-1·····1
Table3.2-2	R22 Overview of 63 Participants Mini MBA Course	ANNEX1-1·····1
Table3.2-3	R23 Overview of 70 Participants Mini MBA Course	ANNEX1-1·····1
Table3.2-4	R24 Overview of 39 Participants Mini MBA Course	ANNEX1-1 ••••• 2
Table3.2-5	R21 Mini MBA Course Results	ANNEX1-1 ••••• 2
Table3.2-6	R22 Mini MBA Course Results	ANNEX1-1 ••••• 3
Table3.2-7	R23 Mini MBA Course Results	ANNEX1-1·····4
Table3.2-8	R24 Mini MBA Course Results	ANNEX1-1·····5
Table3.2-9	R21 Mini MBA Course Participant Questionnaires	ANNEX1-1·····6
Table3.2-10	R22 Mini MBA Course Participant Questionnaires	ANNEX1-1·····6
Table3.2-11	R23 Mini MBA Course Participant Questionnaires	ANNEX1-1 • • • • • 7
Table3.2-12	R24 Mini MBA Course Participant Questionnaires	ANNEX1-1 • • • • • 7
Table3.2-13	R21~R24 Mini MBA course comparison	ANNEX1-1·····8
Table3.3-1	R21 Seminar Results	ANNEX1-1·····8
Table3.2-2	R22 Special Seminar Results	ANNEX1-1·····9
Table3.3-3	R23 Special Seminar Results	ANNEX1-1·····9
Table3.3-4	R24 Special Seminar Results	ANNEX1-1 ••••••11
Table3.3-5	R21 Seminar Participant Questionnaires	ANNEX1-1 •••••• 12
Table3.3-6	R22 Special Seminar Participant Questionnaires	ANNEX1-1 •••••• 12
Table3.3-7	R23 Special Seminar Participant Questionnaires	ANNEX1-1 ••••• 12
Table3.3-8	R24 Special Seminar Participant Questionnaire	ANNEX1-113
Table3.3-9	Seminar course comparison R21~R24	ANNEX1-113
Table3.4-1	R21 Custmized Course	ANNEX1-1 •••••• 14
Table3.4-2	R22 Custmazed Course	ANNEX1-1 •••••• 14
Table3.4-3	R23 Custmazed Course	ANNEX1-1 •••••• 16
Table3.4-4	R24 Custmazed Course	ANNEX1-1 •••••• 16
Table3.4-5	R21 Custmized Course Participant questioners	ANNEX1-1 •••••• 17
Table3.4-6	R22 Custmized Course Participant questioners	ANNEX1-1 •••••• 17
Table3.4-7	R23 Custmized Course Participant questioners	ANNEX1-1 •••••• 17
Table3.4-8	R24 Custmized Course Participant questioners	ANNEX1-1 •••••• 18
Table3.4-9	R21~R24 Customized Course Evaluation Comparison	ANNEX1-1 •••••• 18

Table3.5-1	R22 Consultations	ANNEX1-2·····1
Table3.5-2	R21 Individual consultations	ANNEX1-2·····1
Table3.5-3	R22 Individual consultations	ANNEX1-2·····2
Table3.5-4	R23 Free Consultations	ANNEX1-2·····2
Table3.5-5	R24 Free Consultation	ANNEX1-2·····3
Table3.6-1	R22 Regional Seminar	ANNEX1-23
Table3.6-2	R23 R23 Regional Seminar	ANNEX1-2·····4
Table3.6-3	R22 Regional Seminar Participants Questionnaires	ANNEX1-2 ••••• 5
Table3.6-4	R23 Regional Seminar Participants Questionnaires	ANNEX1-2 ••••• 5
Table3.7-1	R21 Open Seminar	ANNEX1-26
Table3.7-2	R22 Open Seminar	ANNEX1-26
Table3.7-3	R23 Open Seminar	ANNEX1-26
Table3.7-4	R24 Open Seminar	ANNEX1-26
Table3.8-1	List of Participants Training in Japan (Cost Share)	ANNEX1-2•••••7
Table3.8-2	Schedule of Training in Japan (Cost Share)	ANNEX1-2·····8

# ANNEX

1. Krygyz

ANNEX1-1: Mini MBA Course,- Special Seminar(Former E Course), -Customized Course (C Course) Results ANNEX1-2: Consultation, Indivisual Consultation, Free Consultation, Regional Seminar, Open seminar, Training in Japan Results ANNEX1-3: Questionnaire for Associations for Enterprises ANNEX1-4: Questionnaire for Enterprises ANNEX1-5: List of Topics ANNEX1-6: Expert Activities Report\_Kumakiri\_Business Networking

2. Kazakhstan

ANNEX2-1: Expert Activities Report\_Suzuki\_PQM ANNEX2-2: Expert Activities Report\_Kumakirii\_SME Promotion ANNEX2-3: Case Writing PR ANNEX2-4: Presentation to Minstry of National Economy

# List of Project Outputs:

3. Krygyz Course Material ANNEX3-1 : A Course Material\_PQM ANNEX3-2 : A Course Material\_Business Planning ANNEX3-3 : A Course Material\_Marketing ANNEX3-4 : A course Material\_HRM ANNEX3-5 : A-Course Material-Fiancial Management

4. Kazakhstan
ANNEX4-1: 「Practical KAIZEN」 leaflet
ANNEX4-2: Guidasnce to make "Case Study"
ANNEX4-3: Practical KAIZEN Qualification

# Abbeviation

AI	Artificial Intelligence
ATAMEKEN	National Chamber of Entrepreneurs
BC	Business Course
BPR	Business Process Re-engineering
BSC	Business Service Center
CEO	Chief Executive Officer
C/P	Counterpart
ССР	Critical Control Point
CCI	Chamber of Commerce and Industry
CIS	Commonwealth of Independent States
CJCC	Cambodia-Japan Cooperation Center
CSR	Corporate Social Responsibility
DAMU	Entrepreneurship Development Fund
DVD	Digital Versatile Disc
EBRD	European Bank for Reconstruction and Development
EEU	Eurasian Economic Union
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HACCP	Hazard Analysis and Critical Control Point
HRD	Human Resource Development
HRM	Human Resource Management
ISO	International Standard for Standardization
ISO	Information Technology
JCC	Joint Coordination Committee
JF	
	Japan Foundation
JICA	Japan International Cooperation Agency
KIDI	Kazakhstan Industry Development Institute
KJC	Kazakhstan-Japan Center for human development
KNU	Kyrgyz National University
KPI	Key Performance Indicator
KRJC	Kyrgyz Republic-Japan Center for human development
MBA	Master of Business Administration
NPO	Non-Profit Organizations
ODA	Official Development Assistance
OVOP	One Village One Product Promotion
PC	Personal Computer
PDCA	Plan-Do-Check-Action
PDM	Project Design Matrix
PMP	Professional Management Program
PQM	Production Quality Management
PREX	Pacific Resource Exchange Center
PSI	Production, Sales, Inventory
QC	Quality Control
QB	Quick Books
RD	Record of Discussions
ROTOBO	Japan Association for Trade with Russia & NIS
RPE	Relo Panasonic Excel International Co., Ltd.
SCM	Supply Chain Management
SDGs	Sustainable Development Goals

SME	Small and Medium Enterprise
SNS	Social Networking Service
SWOT	Strengths, Weaknesses, Opportunities and Threats
TPS	TOYOTA Production System
UJC	Uzbekistan-Japan Center
UNDP	United Nations Development Programme
USAID	US Agency for International Development
WB	World Bank
WTO	World Trade Organization
3S	Seiri, Seiton, Seiso
5S	Seiri, Seiton, Seiso, Seiketsu Shitsuke

# 1. Executive Summary

# 1.1 The Kyrgyz Republic

While the Kyrgyz economy is not particularly strong, with a per-capita Gross Domestic Product (GDP) of 1,272 US dollars, making it the lowest of the Central Asia region, it has grown steadily in recent years, with GDP growth rates of 3.9, 4.3 and 4.6% in 2015, 2016 and 2017 respectively, according to the "Brief Statistical Handbook" issued by the "National Statistical Committee of the Kyrgyz Republic". However its industrial structure remains imbalanced, with the mining and manufacturing sector comprising only 18.6% (including about 10% for gold mining), while the service and agriculture sectors comprise 46.7% and 14.3% respectively. There are also about a million international migrant workers in countries such as the Russian Federation and the Republic of Kazakhstan and their international remittances to the Kyrgyz Republic comprise almost 30% of GDP. In addition, according to the Handbook, the number of small-and medium-sized enterprises (SMEs) in the Kyrgyz Republic is 400,900 (101.9% against the previous year) and the GDP share reaches 32.0% (100.4% against the previous year) in 2017.

In light of these circumstances, Consultants have been assigned for "the Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic - Japan Center for Human Development (KRJC) (cooperation period: April 2017 – March 2019)" (hereinafter referred to as "the Project"), mainly regarding the planning, implementation and reviewing of the business courses provided by KRJC, during the period April 2017 to December 2018 (hereinafter referred to as "the Activity"). To achieve the Project goal, KRJC conducts various business courses, mainly the Mini MBA Course, which is organized twice a year for about four months. During the contract period, there were a total of four rounds (R21 – R24) of the Mini MBA Course.

The consultants supported KRJC in the following areas:

- (1) Mini MBA Course (A Course)
- (2) Special Seminar (E Course) / Other Seminar
- (3) Customized Course (C Course)
- (4) Regional Seminar
- (5) Training in Japan
- (6) Capacity-Building of Business Course Department Staff
- (7) Technical Transfer to Local Lecturers
- (8) Development of New Customers and Needs Survey
- (9) Support for Graduates' Community Activities

## (10) Issues to Be Considered

Through support provided over the two-year contract period, KRJC has been organizing the Mini MBA Course and other business courses smoothly, although also suffering from a lack of participants on some courses. It is crucial that KRJC continue performing well by maintaining the quality of its business courses and developing new customers. In this regard, the nine sets of recommendations shown in "(10) Issues to Be Considered" should be considered in order for the Project to achieve its goals by the end of the cooperation period (by March 2021, in two years).

#### (1) Mini MBA Course (A Course)

The Mini MBA Course is a practical business management course for executive- and managerial-level individuals and entrepreneurs wishing to boost their management skills by supporting their efforts to prepare a business plan, thereby helping promote industrial diversification and SME development in the Kyrgyz Republic. 227 participants successfully graduated from the four Rounds of Mini MBA Course, with the following demography:

Number	Number Gender		Title				Industry		
Of	F	М	Owner	Director	Staff	Other	Manu.	Service	Trade
Graduates			CEO	Manager					
227	119	108	115	69	30	13	34	145	48
(100%)	52.4%	47.6%	50.7%	30.4%	13.2%	5.7%	15.0%	63.9%	21.1%

KRJC was highly evaluated by participants with an overall average of 4.49 (out of five points) over all four rounds, with the evaluations also improving over time. Details of the four rounds are shown below. These high evaluations are due to KRJC's efforts to respond to changing needs and ensure the quality of the courses by (a) continuously adding new courses and new talented lecturers and (b) organizing a review meeting after each course seeking further improvement.

Round	R21	R22	R23	R24	Average
Score	4.35	4.39	4.59	4.64	4.49

# (2) Special Seminar (E Course) / Other Seminar

The Special Seminar is designed as an advanced course; aiming to solve management issues for business executives and managers by providing practical management knowledge. However, from R22 onwards, various Special Seminars were additionally organized to meet Kyrgyz company needs, with a total of 34 courses carried throughout the four rounds. The number of participants reached 640 with an average evaluation score of 4.38 (out of five points). Details of the four rounds are shown below.

Round	R21	R22	R23	R24	Total
♯ of Courses	5	6	12	11	34
	50	226	232	132	640
Evaluation	4.20	4.19	4.60	4.54	4.38

#### (3) Customized Course (C Course)

The Customized Course is planned with the target company to provide certain seminars for their company staff, with curriculums typically set based on consultations and individual counseling at the companies. 24 courses were conducted with a total of 510 participants over four rounds, with evaluation scores high throughout. Details of the four rounds are shown as follows:

Round	R21	R22	R23	R24	Total
♯ of Courses	3	9	8	4	24
♯ of Participants	62	248	117	83	510
Evaluation	4.45	4.69	4.76	4.75	4.57

#### (4) Regional Seminars

Regional Seminars were conducted in major regional cities outside the capital city Bishkek. During the contract period, a total of 12 such courses were conducted in three cities (Osh, Karakol and Talas), in which 174 people participated with an average evaluation score of 4.63 (out of five points).

#### (5) Training in Japan

Training in Japan is expected to develop human resources capable of contributing to the industrial diversification of the Kyrgyz Republic and strengthen relations between the Kyrgyz Republic and Japan. KRJC has been organizing the Training in Japan for the top graduates of the Mini MBA Course over the past 14 years. In February 2018, eight graduates participated in Training in Japan.

Furthermore, to expand the effectiveness of the Training in Japan, another set of training was organized on top of the abovementioned. In September 2017, ten Mini MBA Course graduates, who had not been selected for training in previous rounds, participated in the Training in Japan under the

cost-sharing scheme. It is noteworthy that they had a useful business exchange event, in which 25 people from 18 Japanese companies participated.

# (6) Capacity-Building of the Business Course Department Staff

There are currently three members of Business Course Department staff at KRJC When the Project started in April 2017, there were only two staff, both of whom had left KRJC by the end of R22, but new staff were recruited one by one. At the same time, the staff number was increased from two to three to ease the workload of the Department. They manage all the business courses, in collaboration with the consultants and their respective higher authorities – i.e. Director, Chief Advisor, and Kyrgyz and Japanese Coordinators. In the process of conducting the four rounds , many improvements were witnessed, Key points are listed below:

- (a) Weekly regular Business Course Department meetings are held with the participation of the Director; not only to share information but also to discuss and solve issues promptly.
- (b) New themes for business courses are created as needed, securing talented local lecturers.
- (c) Review meetings are held on completion of each business course.
- (d) Three Business Course members of staff decide what each of them would oversee and handle the courses with effective coordination.
- (e) Demographical information of Mini MBA Course participants is prepared with graphs and participant questionnaire summaries are submitted within two days or so of the course completion.

Nevertheless, some issues remain to be considered and are stated separately in the section "(10) Issues to Be Considered".

## (7) Technical Transfer to Local Lecturers

When the Project started, there were ten courses in the Mini MBA Course, four of which were overseen by Japanese lecturers, namely: Production & Quality Management (PQM), Marketing, Human Resource Management, and Financial Management, which are considerd the basis contents of Japanese-style management. On the other hand, local lecturers were in charge of the other courses such as Business Plan, Business Plan Consultation, Accounting, Business Law and Taxation Management which were considered that Japanese-style management was less involved. Since then, as the curriculum of the Mini MBA Course was reviewed, the number of courses was increased to 16. The share of teaching time by local lecturers is now 63.3% which is a little short of

the PDM target 70%. Local lecturers were also assigned to the abovementioned four courses which were overseen by Japanese lecturers and collaboration between Japanese and local lecturers were promoted. In the PQM field in particular, a Japanese lecturer led the way in conducting the course using a self-created text and having a local lecturer oversee certain portions of the course. The local lecturer is now capable of lecturing independently in basic, intermediate and some advanced areas such as 5S, Kaizen, Visual Control, 7 QC Tools and Industrial Engineering. Furthernore, the local lecturer actually conducted a C Course under the subject of Kaizen by himself.

A training program in Japan named 'Local Lecturer Developmental Training' was also implemented in April 2018, in which four local lecturers participated (in the fields of Accounting, Business Planning, Taxation Management and Business Law). The Training in Japan aimed to improve their lectures by educating them on how to design a training course instruction skills, and visit Japanese companies to see how they actually operate in arears such as Business Planning, Human Resources Development and Production Management. Upon returning to the Kyrgyz Republic, they all responded that the training was very fruitful.The training deepened their understanding of Japanese-style management and given them a lot of useful knowledges to improve the quality of their responsible courses at KRJC.

# (8) Development of New Customers and Needs Survey

To further expand the basis of KRJC's business courses, new customer development activities were implemented by approaching several previously unfamiliar business associations. The activities aimed to disseminate KRJC's questionnaire and information on KRJC's business courses information to various companies registered under such associations, and research their training needs and raise publicity. Training needs information was also collected by asking an extra question in the evaluation questionnaire to participants upon completion of their rounds: "Please list the topics of other seminars in which you would like to participate."

#### (9) Support for Graduates' Community Activities

KRJC's graduates' community is called B Club. The second Annual General B Club Meeting was held in March 2018. The consultants helped organize the event by inviting a Japanese company which started its business in the Kyrgyz Republic recently, Tokyo Rope and enhancing business exchange among the Club members. KRJC also introduced a one-hour Free Consultation Program allowing the B Club members to seek advice from a Japanese lecturer to solve their business problems. KRJC further assisted the B Club in accelerating its exchange activities with A Club, which is an alumni organization of the Professional Management Program (PMP) of the Uzbekistan-Japan Center (UJC), by taking the President of the B Club to the Republic of Uzbekistan when the delegation of KRJC visited UJC in August 2018.

#### (10) Issues to Be Considered

Although business courses are smoothly managed by Business Course Department staff, it is recommended that the following issues be considered:

- (a) Business management basics include holding regular meetings and it is strongly requested to continue holding the Wednesday Regular Business Course staff meetings to keep improving the operation of business courses and build up team spirit.
- (b) To improve business courses, it is essential to review each module to determine good points and points requiring improvement right after a module while the impression of each participant is still fresh. It is recommended to continue organizing the Review Meetings right after each module.
- (c) To further refine KRJC business courses, the key points include conducting business courses which meet the needs of Kyrgyz companies and securing the target number of participants. In this regard, it is crucial not only to maintain good customer relationships with Mini MBA Course graduates and the past participants of other business courses but also to cultivate new customers. It is strongly recommended to continue visiting various business associations where KRJC is not particularly known, determine their needs and gain access to members of such association.
- (d) Hazard Analysis Critical Control Points (HACCP) are one of the subjects KRJC has been emphasizing to meet the needs of the Kyrgyz food industry, numerous seminars were successfully conductied; however, at the same time, KRJC experienced a shortage of participants in round 24. Given the differing requirements of various food industries by sectors, it is recommended to develop customized seminars to meet the individual needs of each sector such as dairy, livestock farming, supermarket, restaurant, and food processing. It is also important to visit food-related business organizations and associations to cultivate potential participants for HACCP-related courses.
- (e) KRJC business courses have been smoothly organized by the Business Course Department staff and many operational improvements have been observed. To further develop the capabilities of the staff, it is recommended to plan a staff training schedule at the beginning of

the academic year, when planning an annual business course schedule, so that Japanese lecturers can be utilized for training in areas such as Leadership, Communication, Team Building, Motivation, Ho-Ren-So, PDCA Cycle, and Kaizen in the Office Environment.

- (f) The ratio of lecture time by local lecturers in the Mini MBA Course is currently 63%, which falls short of the target (70%). Achieving the target ratio is contingent on having a good understanding of technical transfer on the part of both Japanese and local lecturers. It is recommended to organize a series of meetings in areas including PQM, Marketing, Human Resource Management (HRM), and Financial Management; and to make a two-year plan to gradually transfer the contents of the lectures from Japanese to local lecturers over the four rounds.
- (g) The Customized Course (C Course) is one of the areas which could be promoted more aggressively and is designed to address actual problems faced by individual Kyrgyz companies. It is an area where Japanese lecturers' expertise and experiences can directly contribute to improving Kyrgyz companies. It is recommended to set a target number of C Courses per round such as ten.
- (h) KRJC has a good track record of collaboration with other JICA projects such as One Village One Product Promotion (OVOP) and Forestry Products projects. It is a win-win relationship and thus beneficial for KRJC to further promote such collaborations.
- (i) It is also recommended to review the curriculum. Since one of the main objectives of the Mini MBA Course is for each participant to develop his/her own business plan, it may be useful to add a new course to learn the basics of the Macro/Micro Economy. Another potential new course to be considered is one related to customer service. Most (85%) Mini MBA Course participants are from the service and trade sector, so Japanese-style customer service may appeal to them as a topic.

#### 1.2 The Republic of Kazakhstan

#### **1.2.1 Production Quality Management**

After the completion of post phase 2 of the technical cooperation project regarding the Kazakhstan-Japanese Center for Human Development (KJC) in September 2012, a short-term expert on "Production Quality Management" was dispatched to hold business seminars and JICA knowledge Co-Creation Programs (Business Practical Trainings) for about three years. As a result of examining collaboration with a government organization, such as Corporate Development Fund

(DAMU), to promote small- and medium-sized enterprises (SMEs) especially in the manufacturing industry, a "Consulting Project focusing on Kaizen" was started as a pilot in 2015. From 2016, a consulting fee of three million Tenge (about 1 million yen) was levied and full-scale promotion got underway. Seven companies participated in 2016 and nine in 2017; helping boost the income of the business course division of KJC.

In addition, in collaboration with Narxoz University, which houses KJC, the "Kaizen Module" was introduced in the MBA Course from the spring semester of 2017: titled "Kaizen Mini MBA Introductory Course." Furthermore, "Practical KAIZEN" three-day public seminars were held several times in Astana and Almaty City.

(1) Assigned expert: Hajime Suzuki, Specialist overseeing 'Production Quality Management'

- (2) Activity Period: June 2017 ~ Feb 2019
- (3) Activity Contents:
- (a) Consulting Project' has been implemented as a major activity in FY2017.

Activity	I	Participating	City	Business Area	
	Company				
Consulting Project	1 ProMet		Almaty	Production	
	2	Ariya Z	Astana	Construction	
Xincl. implementation	3 Stroiclass		Astana	Construction	
OJT training for local	4	Banur	Astana	Food	
consultants	5	Ariya Astana	Astana	Construction	
	6	Bereke	Ekibastuz	Transportation	
	7	SZATSI	Semei	Fabric	
	8	Aitas	Ust-Kamenogorsk	Food	
	9	Karavai	Ust-Kamenogorsk	Food	
Activity	Schedule		City	No. of Participants	
3days Public Seminar for	19-21 June, 2017		Almaty	23 Participants	
Practical KAIZEN	27-29 Sep., 2017 2-4 Feb., 2018		Astana	10 Participants	
			Astana	15 Participants	
Activity	Schedule		No. of Participants		
Kaizen Mini MBA Introductory	First Term:		6 Participants (None of the Univ.)		
Course	Spring Semester				
(Cooperation with Narxoz Univ.)	Second Term:		32Participants (incl. 29 persons from		

		Fall Semes		mester	Ariy	a Z)			
(b) Concentration to sum up and follow up activities executed.									
Activity		Period		Contents			City		
1	KAIZEN Conference		Oct	. Sum	Summary of Activity			Almaty	
				in 20	17				
2	Reporting Seminar		Oct	. Repo	Report to MoNE			Astana	
	Activity		Participatin		ing Con	g Company		Business Area	
3	Continuous Challenge Worksh	op	1 Stroiclass				Construction		
	Program		2 Karavai					Food	
Activity			Schedule		Cit	y	No. of Participants		
4	3days Public Seminar for		12-14 Nov.,		18	Alm	aty	30 Participants	
	Practical KAIZEN		28-30 Jan. 20		9	Asta	ana	17 Participants	
Activity		Contents							
5	Case Writing		For 7 case writing / OJT for Local Consultant						
Activity		Contents			C/P				
6	Technical Transfer		1 Public Sem		olic Seminar L		Local Consultants		
	to Local Consultants		2 Kaizen Mi		aizen Mini MBA L		Local Consultants		

(4) Activity Results:

(a) For the "Consulting Project" for which the "Certificate Scheme" was introduced, it was possible to maintain the motivation of participating companies and work with the companies and KJC consultants to promote activities on an ongoing basis.

Among the nine participating companies in 2017, four companies were certified as first-grade and five as third grade. In 2018, two first-grade companies continued to strive for further improvement.

- (b) During the three-day public seminar, a total of 95 people participated in the five times it was held. (three in Astana City and twice in Almaty City)
- (c) In collaborating with Narxoz University, the "KAIZEN Mini MBA Introductory Course" was introduced. However, the spring 2017 semester failed to attract sufficient Participants and the course applied was not implemented in the following term (fall 2017).

Thus, even in the fall 2017, only the introductory course was conducted.

(d) Development of local consultants was implemented through On-Job-Trainings (OJTs) in

"Consulting Projects" and a technology transfer on the lecture contents of the three-day public seminar and KAIZEN

Mini MBA Introductory Course.

As a result, six consultants qualified at senior level and one as an associate level.

#### **1.2.2 SME Business Promotion**

SME Business Promotion (Expert) was approved in 2018, from the perspective of developing business human resources and assisting industrial diversification in Kazakhstan. Specific assignments of the Expert included collecting and confirming information on SMEs, sharing knowledge on industrial policy and supporting coordination with related organizations, and supporting KJC to function as a hub of such networks. In light of the above, the Expert supported KJC to develop a 2019 business plan (as well as the monitoring mechanism to check its progress).

- (1) Assigned expert: Ichiro Kumakiri, Specialist overseeing 'SME Business Promotion'
- (2) Activity Period: Nov. 2018 ~ Jan. 2019 (out of the 3 year cooperation period, thus below (5) Activity Results are regarding the (2) Activity Period only and may not be completed)
- (3) Activity Contents:
- (3-1) Kazakhstan SME business promotion
- (a) Collect and organize information on SME business promotion
- (b) Sharing information and knowledge with relevant organizations
- (c) Promoting reforms that help improve the SME business environment through coordination with relevant organizations
- (3-2) Activities through KJC as an important channel in promoting SME
- (a) Strengthen KJC's organization management system
- (b) Strengthen the planning and management system for KJC's Business Course and consulting service
- (c) Strengthen the relationship with other business institutions and another Central Asia Japan Center etc.
- (4) Expected Outcomes:
- (a) KJC's organizational capacities are strengthened to contribute to the diversification of industry in Kazakhstan.
- (b) The KJC Business Department is sustainably operated and managed through the use of local resources and networks.
- (5) Activity Results:
- (a) The Expert assisted KJC to function as a business exchange base with Japanese business in RK by introducing several Japanese companies interested in investing/ trading with Kazakhstan

companies.

- (b) The Expert examined the current situations regarding SMEs, including the status of policies and activities of related national organizations, by interviewing various organizations and individual SMEs.
- (c) The Expert also visited international organizations that support SME promotion and exchanged opinions and views what are the areas of further improvements.
- (d) The Expert proposed a vision for KJC to become a platform regarding SME support in the country, upon discussion with the relevant organizations in the country. It was also proposed that KJC to sign MOUs with some of the key organizations to further accelerate its role as a platform.
- (e) The Expert supported KJC to develop 2019 business plan, consolidating KJC core values, current capacities, past experience (actual results), and financial analysis. The plan also highlighted the importance of further strengthening the collaboration with external entities with specific names; such as, government agencies, business associations, private enterprises, and universities.

# 2. Overview of Work

# 2.1 Background of Work

In the early 1990s, the three Central Asian countries - the Kyrgyz Republic, the Republic of Uzbekistan, and the Republic of Kazakhstan - gained independence from the former Soviet Union. In the 2000s, the Government of Japan established (and/or JICA joined) a Japan Center for Human Development ("Japan Center") in each of these three countries to provide assistance for their economic development and their transition from planned economies to market economies. Since then, JICA has provided several phases of technical cooperation for the development of SME executives and other businesspeople, and for strengthening relations with Japan.

The Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic - Japan Center for Human Development (April 2016-March 2021) is being conducted to further strengthen the capacity of the Kyrgyz Republic-Japan Center for human development (KRJC) to serve as an effective base for cultivating human resources that can contribute to industry diversification, and for strengthening relations with Japan. In the Republic of Uzbekistan, a similar project at the Uzbekistan-Japan Center (UJC), the Project for Capacity Development of Business Persons and Networking through Uzbekistan-Japan Center for Human Resource Development (December 2015-November 2020), is being conducted. In Kazakhstan, however, JICA's technical cooperation with the Kazakhstan-Japan Center (KJC) is completed in September 2012, and KJC is operated under the counterpart organization, Narxoz University. Despite such situation, due to the continued high importance and demand for support in Kazakhstan regarding the product quality management field, which requires practical experience in actual business situations in manufacturing, as well as the need to improve the capacity of local consultants to drive the advancement of SMEs in the country. JICA has been dispatching Japanese experts and implementing Trainings in Japan in the filed since 2013.

JICA has been implementing cooperation activities in each country to provide assistance in line with the circumstances in each country, though, to address the issues of industry and businessperson development through Japan Center activities and capacities, it is important that the Japan Centers improve the quality of their businessperson development by fully understanding and sharing their knowledge and cases of good practices between each other. In light of the above, JICA has combined the consultants work regarding the Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic - Japan Center for Human Development, and regarding the development of businesspeople in the product quality management sector and others in Kazakhstan (but not in Uzbekistan, where assistance based on a separate contract is currently underway). It is expected that this arrangement delivers more comprehensive and effective efforts by taking into account both countries past achievements and current situations.

#### 2.2 Purpose of Work

# 2.2.1 Kyrgyz Republic

To contribute to the achievement of expected outcomes and project goals by implementing Business Course (BC) planning and operation assistance and other activities based on the Record of Discussions (R/D) regarding the "Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic - Japan Center for Human Development", concluded with the Ministry of Finance of the Kyrgyz Republic on February 3, 2016.

# 2.2.2 Republic of Kazakhstan

To enhance sustainable operation of KJC Business Course Department, through efforts to develop local consultants at KJC and assistance for the implementation of business courses regarding manufacturing and quality improvement (*kaizen*), thereby contributing to businessperson development and industry diversification in the Republic of Kazakhstan.

# **2.3 Target Countries**

Kyrgyz Republic:Bishkek (Japan Center location), and other major citiesRepublic of Kazakhstan:Almaty (Japan Center location) and Astana

#### 2.4 Partner Country Relevant Organizations

Kyrgyz Republic :

Ministry of Finance (Supervisory ministry),

Kyrgyz National University (KNU) (Counterpart (C/P) organization)

Republic of Kazakhstan :

Ministry of National Economy, Ministry of Education and Science, Narxoz University, Others: Entrepreneurship Development Fund (DAMU), Kazakhstan Industry Development Institute (KIDI), National Chamber of entrepreneurs (ATAMEKEN)

# 2.5 Project Overview

# 2.5.1 Technical Cooperation Project in the Kyrgyz Republic

#### **Project Name:**

Project for Human Resource Development for Diversification of Economic Sectors through the Kyrgyz Republic - Japan Center for Human Development

#### **Overall Goal:**

KRJC contributes to the diversification of industry in Kyrgyz Republic and the strengthening of relations between Kyrgyz Republic and Japan.

#### **Project Goal:**

Sustainable institutional mechanism and functions are established at Kyrgyz Republic-Japan Center for Human Development (KRJC), as a center of human resource development for industrial diversification and for strengthening of mutual relationship between the Kyrgyz Republic and Japan.

# **Expected Outcomes:**

- Outcome 1: KRJC's capacities as an organization for developing businesspeople are strengthened to contribute to the diversification of industry in Kyrgyz Republic.
- Outcome 2: KRJC staff members continuously operate and manage KRJC under the direction of its director.
- Outcome 3: KRJC's capacities are built so that the center serves as a base for facilitating exchange between Kyrgyz and Japanese people.

#### **Overview of Activities:**

- 1-1: Conduct needs survey on human resource development periodically.
- 1-2: Establish mechanism to develop capacity of Kyrgyz local lecturers and local staff and to develop contents and materials in line with the needs.
- 1-3: Plan and conduct business courses to contribute to diversification of economic sectors.
- 1-4: Plan and conduct customized courses for corporations and tailored courses for external organizations.
- 1-5: Plan and implement follow-up activities for business course graduates.
- 1-6: Plan and implement business courses for Tajikistan to develop capacity of Kyrgyz local

lecturers and to promote regional cooperation. 1-7: Conduct review of the whole business course implementation periodically.

<sup>3</sup>1-6 is outside the scope of work under this contract.

- 2-1: Strengthen system and mechanism to operate KRJC sustainably by KRJC staff under the supervision of KRJC Director.
- 2-2: To Plan, implement, and monitor the whole KRJC activities and then improve the activities with the initiative of KRJC staff based on the results (establishment of PDCA cycle)
- 2-3: Plan and implement, in collaboration with other organizations, activities in line with the objective of KRJC and to contribute to sustainable development.
- 3-1: Maintain and update information of business course graduates and enterprises related to KRJC and build database.
- 3-2: Provide support to Japanese's companies who has interest in business in the Kyrgyz Republic, utilizing network of local human resources in management and enterprises.
- 3-3: Plan and implement activities to contribute to strengthening relations between Kyrgyz and Japanese's companies in collaboration with JICA and other related organizations.
- 3-4: Plan and implement activities contributing to promotion of human networking with Japanese universities in cooperation with the Kyrgyz National University.

# **Project Implementation System:**

This project is jointly operated by the Japan side and the partner country side (KNU, which is the C/P). One chief advisor and one person to coordinate work and improve organizational management capacity will be dispatched to the partner country from Japan. On the Kyrgyz Republic side, around 30 staff members including the local director will be assigned to the project.

# **Project Duration:**

April 1, 2016-March 31, 2021 (Work under this contract lasts from April 2017-March 2019)

## 2.5.2 Overview of Operations in Kazakhstan

# (1)Expert Dispatch Work

#### [Production quality management (Kazakhstan)]

## **Purpose of Dispatch**

Experts in the field of production quality management (kaizen) will be dispatched to Kazakhstan to lead business couses and seminars in that field to provide assistance for improving the leadership abilities of KJC relevant personnel with regard to production quality management (kaizen) and the like in an effort to enhance sustainable operations of the KJC Business Department, thereby contributing to businessperson development and industry diversification in Kazakhstan.

#### **Expected Outcomes:**

- Outcome 1: KJC's organizational capacities are strengthened to contribute to the diversification of industry in Kazakhstan.
- Outcome 2: The KJC Business Department is sustainably operated and managed through the use of local resources and networks.

#### **Overview of Activities:**

- 1-1: Provide assistance to KJC regarding the development of overall plans related to BCs.
- 1-2: Develop and implement plans for developing local consultants and others.
- 1-3: Regularly conduct reviews of BCs.
- 1-4: Manage information regarding outcomes, and information regarding companies that received counseling.
- 2-1: KJC staff members take the lead in planning, implementing and monitoring overall KJC activities, and use those results to enhance systems and mechanisms for making improvements.
- 2-2: Systems and mechanisms for sustainably operating KJC BCs using local resources and networks are built.

# **Duration of Work:**

June 2017-March 2019

## **[**SME Promotion (Kazakhstan)**]**

# **Purpose of Dispatch**

Gather and confirm information on SME promotion fields (industrial diversification, manufacturing promotion, productivity enhancement etc.) in Kazakhstan, share insights into industrial policy and coordinate with related organizations.

#### **Expected Outcomes:**

- Outcome 1: Japanese findings regarding the SME enterprise promotion field in Kazakhstan are supplied.
- Outcome 2: The KJC structure, which is a key channel in this field, is consolidated.

# **Overview of Activities:**

- 1-1:Collect and gather information on SME promotion in Kazakhstan (e.g. macroeconomic information, information by microsectors and related information, information on generally suitable environments, SME structure/current status and issues).
- 1-2: Share related knowledge with Kazakhstan's related organizations.
- 1-3:Promote changes in Kazakhstan by coordinating with related organizations, which will help improve SME promotion.
- 2-1: Consolidate KJC's organization management system.
- 2-2: Consolidate KJC's business course, consulting planning and management system.
- 2-3:Consolidate relationships of KJC with Kazakhstan's related organizations as well as with other Japan centers elsewhere in Central Asia, etc.
- 2-4 Consolidate the role of KJC as a hub for Japanese business nationwide and promoting exchange with both local and Japanese companies.

Note: The above project is scheduled for three years, and for FY2018, for the period from October 2018 to March 2019 (3.7M/M), the scope will include basic information collection, establishing networks with related organizations, establishing a basis from which to analyze the current situation and reviewing the project to strengthen KJC activities.

#### **Duration of Work:**

October 2018-March 2019

## (2) Training in Japan

# **Purpose of Training**

Local companies, who participated in the Consulting Projects, to observe some Japanese companies and to learn cases of *kaizen* in practice that those companies have adopted, therebyand to consider ways of applying the lessons they learned to their own companies.

#### **Expected Outcomes:**

Local companies, who participated in the Consulting Projects, to improve their productivity and quality by putting *kaizen* into practice.

# **Implementation System:**

Several local companies will be selected for participation in the Consulting Projects, in consultation with the expert in the field of Production and Quality Management and local organizations concerned, while an organization designated by JICA will plan and conduct training that meets the needs of these participating companies. The Consultant will support these operations.

# 3. Activities in the Kyrgyz Republic

Puorpsse of this work is to contribute to the achibvement of expected outcome and project goals by implementing Business Courses. Activities for Business Course are shown as following.

Expert Dispatch/Results of Activities in the Kyrgyz Republic

(1)Mini MBA Course (A Courses)

(2)Special Seminar (Former E Course)

(3)Custmized Course (C Course)

(4)Consultations, Indivisual Consultations, Free Consultations

(5)Regional Seminars

(6)Open Seminars

(7)Training in Japan

(8) Transfer of Technical Knowledge to Operate and Administer Business Courses

(9)Technical Transfer to Local Instructors

(10)Custmer Development and Needs Surveys

(11)Support for B Club Activities

(12)Coordination with Other JICA Project

(13)Support for Improving KRJC Cash Flow

# 3.1 Expert Dispatch/Results of Activities

Expert Dispatch / Results shows Table 3.1-1

Nama	Work	Devied	days		
Name	Work	Period	Kyrgyz	Japan	
		2017/4/15 -	5/20	194	
	Project Manager/BC	2017/7/1 -	7/20		
Shunei Umezawa	Management	2017/11/11 -	12/25		18
		2018/3/19 -	4/29		
		2018/11/3 -	12/24		
		2017/6/5 -	6/11		0
		2017/6/21	7/1		
		(2017/6/5	7/1)		
		2017/9/21 -	10/2		
Shigeru Uno	BC Management	(2017/9/21-	10/14)	67	
		2018/6/12	7/1		
		(2018/6/7 -	7/1)		
		2018/9/10	9/26		
		(2018/9/10-	10/6)		
	※( )Period including Kyrgyz &	Kazafhstan			
	PQM (1)	2017/4/15 -	5/15	149	8
<b>T</b> . <b>F</b> .		2017/9/30 -	11/6		
Tetsuo Fukuyama		2018/4/2 -	5/7		
		2018/9/22 -	11/4		
	Marketing	2017/4/20 -	5/27	135	8
Kall Habimashi		2017/10/6 -	11/12		
Koji Uehigashi		2018/4/16 -	5/7		
		2018/9/30 -	10/13		
Takao Hayashi		2017/5/15 -	6/10	54	4
(predecessor)	Human Resource Management	2018/11/27 -	12/24		
		2017/6/3 -	7/8	131	11
		2017/10/28 -	11/30		
Jinji Ban	Financial Management	2018/5/21 -	6/16		
		2018/11/5 -	12/8		
	HACCP (Hazard Analysis and Critical Control Point)	2017/6/17 -	7/10	112	8
Mamoru Hatano		2017/9/16 -	10/14		
		2018/5/19 -	6/17		
		2018/11/17 -	12/15		
Tadao Yuasa		2018/3/26 -	4/8	00	4
(successor)	Human Resource Management	2018/9/6 -	9/29	28	
Emiko Setoguchi	Training in Japan				16
Ichiro Kumakiri	Business Exchange				10
Total				870	87

# Table3.1-1 Expert Dispatch/Results of Activities in the Kyrgyz Republic

#### 3.2 Mini MBA Course (A Courses)

Mini MBA Courses teach fundamental knowledge on corporate management to business managers and aspiring entrepreneurs. These courses aim to raise management skill standards and promote industry diversity at companies in the Kyrgyz Republic by having Participants go through the business plan preparation process. The coursesare generally held twice a year for about 4 months. In the 2017 academic year, a course was held in Round 21 (R21) as a spring course and again in Round 22 (R22) as a fall course. In the 2018 academic year, a course was held in Round 23 (R23) as a spring course and in Round 24 (R24) as a fall course.

A major change over the two-year period was offering the Morning Course (9:30-12:30) for the first time in R24. Until that point, the courses were offered in two parts: an Afternoon Course (14:00-17:00) and an Evening Course (18:00-21:00). However, in an effort to better target business managers and entrepreneurs, the Evening Course was changed to the Morning Course, and the courses were offered in two parts: a Morning Course and an Afternoon Course. As a result, fewer people signed up for the Afternoon Course, and now only the Morning Course is offered.

#### (1) Participants

55 Participants attended in R21, while 63 attended in R22. 70 participants in R23, and 39 attended in R24. Participants overviews are shown in ANNEX 1 Tables 3.2-3.and 3.2.-4.

There were slightly more women than men in R21, R22 and R23. Owners and CEOs comprised 40% to 50% of participants. However, in R24, the male-female ratio was reversed, and owners and CEOs comprised nearly 70% of participants. This change is due to the introduction of the Morning Course, and is an evidence of a success of KRJC's plan to target managers and entrepreneurs, who have relatively more freedom over their time. In terms of categorizing the industries of the businesses in which the participants work, throughout the four rounds, an overwhelming majority (80%-90%) of participants worked in the broadly defined service industry.

#### (2) Mini MBA Course results

The courses offered for R21 through R24 are shown in ANNEX 1 Tables 3.2-5 through 3.2-8.

Efforts are constantly underway to find ways to improve the Mini MBA Course, which is the cornerstone of the KRJC Business Courses. Toward that end, new topics were added in each round; it started with 10 courses including the Final Presentation in R21, while it now consist of 16 courses in R24. The followings are the new courses added in each round.

- R22: 'Japanese-style Management'
- R23: 'Sales and Export'

• R24: 'Japan, Economy and Business,' 'Business Planning,' 'Strategic Management,' 'Risk Management'

# (3) Participant survey results

KRJC administered surveys to participants at the end of each course. Aggregated survey results from R21 and R23 are shown in ANNEX 1 Tables 3.2-9 and 3.2-10. The following are the evaluation items on the surveys.

- (a) Content: Did lecture content meet your expectations?
- (b) Topics: Did topics within the lecture content meet your expectations?
- (c) Explanations: Was the instructor's explaining style easy to understand?
- (d) Teaching style: Evaluation of the instructor's teaching style.
- (e) Textbooks: Were the distributed textbooks easy to understand?
- (f) Interpreters: Evaluation of interpreter (quality)
- (g) Textbook translation: Evaluation of the distributed textbooks' translation into Russian
- (h) Lecture Time: Was the amount of lecturing days (hours) appropriate?
- (i) Overall Rating: Overall evaluation of the course

Questionnaire takers were asked to evaluate on the following 5 point scale for each category in this questionnaire. Accordingly, values in the table represent the average value out of 5 points.

5 points:	Excellent
4 points:	Good
3 points:	Not bad
2 points:	Not particularly impressed
1 point:	Not impressed

The goal is to exceed four points in each category and although the score averages generally cleared this goal, unfortunately, the average score for the Japanese instructors was lower than that of the local instructors in every category. In particular, despite an uptrend seen in each category from R21 to R22, the four items 'teaching style', 'lecture time', 'textbook translation', and 'textbooks' all fell below 4 points also in R22.

The result of the questionnaire urged respondents to fill in comments. Making the comment excerpts below makes evident the issues in the courses from the participants' perspective of each category.

- Teaching style: "Teaching style is not so easy to understand", "It would be nice to get more simple explanation", "Some examples are for big businesses and cannot be implemented for SMEs"
- · Lecture Time: "The time is too short", "Increase the number of days", "Add more hours to this module"

- Participant assessment of lecture time cannot necessarily be judged as poor, as the overall assessment was 'excellent'. Participants tended to deduct points from their evaluation, however, due to wanting more lecture time.
- Textbook translation: "Improve the quality of translation", "Translate handouts 100% to Russian",
- Textbooks: "Small print is not always legible", "Make handouts larger", "Complex supply of materials", "A lot of materials in a short period of time", "Difficult to understand", "Improve the quality of images (too small)"
- Other comments ask for "More practice than theory," "More case studies," "More practical work," and "More examples," highlighting the need for improvement in these areas.

Survey items were revised from R23 because it contained redundant parts depending on the interpretation, the categories of Content, Topics, Explanations, and Teaching style. This was evident due to some feedback from participants who shared that they found the surveys difficult to understand, and others wanted ways to clarify their evaluations of the instructors and course management.

Aggregated survey results from R23 and R24 are shown in ANNEX 1 Tables 3.2-11 and 3.2-12. The following are evaluation items from the survey. Questionnaire takers were asked to evaluate on the same five-point scale for each item. Accordingly, values in the table represent the average value out of five points. Items (1) to (3) evaluate the instructors, and Items (4) to (6) evaluate course management, and the table shows the respective average values. In addition, in an effort to survey needs, the question "What kinds of topics would make you want to take a seminar?" was added to the end of the new questionnaire for R23 and onward.

- (1) Content: Did the lecture content meet your expectations?
- (2) Explanations: Evaluation of instructor's explaining style (Was it easy to understand?).
- (3) Materials: Were textbooks and other distributed materials easy to understand?
- (4) Interpreters: Evaluation of interpreters (quality, ease of understanding).
- (5) Textbook translation: Evaluation of the (quality of the) distributed textbooks' translation into Russian.
- (6) Course management: Evaluation of overall course management, including the classroom environment.
- (7) New topic ideas: What kinds of topics would make you want to take a seminar?

Efforts were made to reflect the comments from R21 and R22 in the courses of R23 and R24, but many comments were made regarding R23 and R24 as well. The overwhelming majority of comments were amicable, and regard issues to be addressed in the future.

• Content: "To add practical examples of local companies", "Not applicable in our market", "It would be excellent to include practical examples in the service sector", "More practical work"

- Explanations: "The same thing repeats many times", "The lecturer had a problem with PC and did not get the material timely"
- Materials: "Too many handouts", "It would be great if all the materials are combined and given in one book", "It would be great if we can get all materials at the beginning of the module"
- · Interpreters: "Sometimes microphone is needed", "It was difficult to switch one interpreter to another",
- · Textbook translation: "A lot of grammatical mistakes", "Some misspelings"
- Course management: "Excellent, but it would be better if we had a bottle of water for each participant", "There are some noises, the boiler sometimes boiling during the lecture", "It would be highly appreciated if we have cookies for coffee break", "I don't like studying on Saturdays"

#### (4) Comparison of R21 through R24

ANNEX 1 Table 3.2-13 shows a comparison of the evaluations from each round.

Evaluation items were changed before R23, and there may be slight differences in nuance; however, a table was made to show trends in evaluations for each round on essentially identical items. As a result, the evaluations of most items tended to improve with each round. That trend was particularly strong for the average of the overall evaluations of Japanese instructors; their score of 3.98 in R21 improved steadily to 4.11 in R22, 4.54 in R23 and 4.63 in R24.

#### **3.3 Special Seminars (Former E Course)**

Special Seminars are courses for experts; they target business managers and core management personnel, and seek to provide solutions for management problems at each company through the propagation of practical management knowledge. Starting with R22, special courses to address envisioned needs are offered alongside the conventional courses.

(1) Results of Special Seminars

The courses offered for R21 through R24 are shown in ANNEX 1 Tables 3.3-1 through 3.3-4.

In R21, courses taught solely by Japanese instructors were offered; the titles were the same as those of the Mini MBA Course; the content were overlapping; and the average number of participants per course was 10, with the smallest course attracting just four participants. After reflection on these points, starting from R22, Special Seminars with more specific and topical course titles were offered, and the local instructors were brought in to collaborate with the Japanese instructors for some of the courses.

As a result, the average number of participants per course increased to 37.7 in R22, and moved to 19.3 in R23 and 12.7 in R24; the overall average number of participants increased to some degree,
but some courses drew fewer than 10 participants, and issues still remain. In R24, it was so difficult to draw participants for HACCP-related courses that both of the planned courses were canceled.

#### (2) Aggregating participant surveys

Surveys were also administered to participants of Seminars and Special Seminars after the seminars. Aggregated survey results are shown in ANNEX 1 Tables 3.3-5 through 3.3-8. As with the Mini MBA Course, evaluation items were changed since R23.

### (3) Comparison of R21 through R24

ANNEX 1 Table 3.3-9 shows a comparison of the evaluations from each round.

Although the local instructors were brought in to teach some Seminar and Special Seminar courses, an overwhelming majority (roughly 87%) were taught by the Japanese instructors. As with the Mini MBA Course, the overall evaluation score was 4.20 in R21 and 4.19 in R22, which failed to reach the PDM target of 85% (4.25 points), but 4.60 in R23, 4.54 in R24, over-achieving the target, thereby making the four-round average of 4.38 over the target.

#### **3.4 Custmized Course (C Courses)**

Custmized Course responds to issues unique to the target company with seminars provided for its staff. The curriculum of these courses is typically set based on consultations and individual counselings at the companies.

(1) Custmized Course Results.

The Custmized Course offered for R21 through R24 is shown in ANNEX 1 Tables 3.4-1 through 3.4-4.

With three courses in R21, nine courses in R22, eight courses in R23, and four courses in R24, the four-round average was six courses.

#### (2) Participant questionnaire summary

Results of the questionnaire administered to Custmized Course are shown ANNEX 1 Table 3.4-5~3.4-8.

#### (3) Comparison of R21 through R24

ANNEX 1 Table 3.4-9 shows a comparison of the evaluations from each round.

Overall evaluations of Custmized Course held steady with high totals of 4.45 in R21 and 4.40 in R22, and improved to 4.69 in R23 (after evaluation items were changed) and 4.75 in R24; this is linked to repeat requests from some companies. Another likely cause of the high scores is the fact

that course content was tailored to the needs of the companies based on interviews conducted prior to the courses.

#### 3.5 Consultations, Indivisual Consultations, Free Consultations

Consultations are activities that correspond to Custmized Course, and address the issues of individual companies; however, they consist mainly of interviews, discussions and advice, and do not entail seminars. In contrast, Individual Consultations essentially cover the same ground as Consultations, but are provided free of charge, with the aim of developing into Custmized Course. However, many companies are against the idea of paying for consultations, and are able to arrive at solutions after Individual Consultations; therefore, few cases of Individual Consultations eventually develop into Custmized Courses.

In light of these circumstances and to increase support for the activities of the B Club, a Mini MBA Course graduates' club, Free Consultations - one-hour programs taught by Japanese instructors - were introduced in R23 for the B Club members and the current Mini MBA Course participants. The results of Consultations, Individual Consultations and Free Consultations are shown in ANNEX 2 Tables 3.5-1 through 3.5-5.

## **3.6 Regional Seminars**

In Regional Seminars, seminars and Custmized Course are conducted in major regional cities outside the capital city Bishkek with an aim to improve the management skills of local business owners and senior managers. In R21, the seminar planned for Karakol had to be changed due to date changes of the presidential election. This resulted in only the site visit and survey portion of HACCP (Hazard Analysis and Critical Control Point) being held in Osh. In R22, the site visit and survey portion of HACCP was held in Karakol, with seminars also held in both Osh and Karakol. In R23, Courses and the C Course were held in Talas, and a Seminar for people involved in the Forest Products Project was held in Karakol. The local instructors taught all of these. No Regional Seminars were held in R24.

(1) Regional Seminar results

ANNEX 2 Table 3.6–1 and Stable 3.6-2 show the results of Regional Seminars held in R22 and R23.

(2) Participant questionnaire summary

The results of the questionnaires at regional seminars are shown in ANNEX 2 Table 3.6–3 and Table 3.6-4..

With an average of 4.45 in R22 and 4.81 in R23, Regional Seminars received high overall scores.

## 3.7 Open Seminars

Open Seminars are free seminars for the purpose of recruiting participants and promoting Special Seminars (Former E Courses) and Custmized Training (C Courses). Typically, they are 2 hours long, touch on the highlights of each course, and explain what outcomes the participants can expect by attending the courses. However, in R24, the topic of "Food Sanitation and HACCP" was presented in an interactive style as a panel discussion rather than a normal Seminar style.

HACCP-related content was offered in R23 and R24 in an effort to inducing new particpants to prime the pump for the E Course and the C Course, but it must be acknowledged that the effort had limited effects. In particular, companies involved in food products were recruited to join the panel discussion in R24, but only five people participated. In the food-related industry, the necessity to deal with HACCP is well recognized and a need for HACCP-related training course definately exists, however, there is no sense of urgency in the industry to deal with HACCP-related issues immediately. The most significant cause is the tendency of Kyrgyz people to choose an easy way out by just paying some money to an inspector. The biggest issue is how to change the mindset of people in the food-related industry.

The results for R21 through R24 are shown in ANNEX 2 Tables 3.7-1 through 3.7-4.

### 3.8 Training in Japan

For the past 14 years at KRJC, high score graduates of the Mini MBA Course have attended Training in Japan, and it has been verified that they have contributed significantly to business growth by the participants applying the concepts they learned in Japan at their workplaces upon returning to their country. This project is expected to develop human resources who can contribute to the industrial diversification of the Kyrgyz Republic and strengthen relations between the Kyrgyz Republic and Japan, and expanding the results of Trainings in Japan was recognized as an effective means to achieve the goal. Therefore, another Training in Japan was conducted under a cost-sharing arrangement for graduates who completed the Mini MBA Course but were not selected for training in previous installments.

Training in Japan has multiple objectives: to allow course participants to see firsthand how concepts they learned in the Mini MBA Course are actually being implemented at Japanese companies; apply the concepts back home at their own companies; and to contribute to strengthening the relationship between the Kyrgyz Republic and Japan while also exploring the possibility of business collaborations by providing interaction with Japanese corporate managers. It is thought that the trainings can also be used to vitalize activities of the graduates' club (G Club, it changed its name to B Club) established in 2012.

Note that two sessions of Training in Japan (with cost-sharing) were planned during the contract period, but only the session conducted in September 2017 was actually implemented.

(1) Implementation Period

2 weeks from September 3–16 (Sun-Sat), 2017.

#### (2) Participants

Mini MBA course graduates from R1 to R21 who have never participated in any practical business training courses were recruited. The list of participants is shown in ANNEX 2 3.8–1.

## (3) Schedule and curriculum

ANNEX1-2 Table 3.8–2 shows the specific schedule and curriculum.

Based on the programs, training that embodied a sense of purpose was carried out from agenda-setting to results presentation. This demonstrates that the anticipated outcomes were met. Of particular note, 25 people from 18 Japanese companies participated in an exchange meeting held on September 13, which turned out to be a highly meaningful event. Highlights included an exhibit of Kyrgyz Republic products, general introduction, KRJC activities introduction, and lecture "A Vision of Kyrgyz–Japan Business Relations" by Mr. Ichiro Kumagiri (Investment Adviser), which was held by linking the JICA Kyrgyz Office to the video conference system.

### 3.9 Transfer of Technical Knowledge to Operate and Administer Business Courses

The basic flow diagram below shows an overview of how business courses are implemented.



#### Figure 3.9-1 BC implementation flow diagram

Business Course management is carried out by Business Course Department staff in accordance with the above flow diagram; however, improvements were needed based on problems encountered through implementation of R21. Issues pointed out are listed below.

(a) Conduct regular course review meetings after a course is complete.

(b) Prepare courses and seminars by utilizing the operation manuals.

(c) Business Course staff members acknowledge their role as a facilitator and fully handle each course.

(d) Complete participant questionnaire summaries as early as possible upon completion of the course.

(e) Prepare and distribute demographic information of the Mini MBA Course participants.

(f) Change classroom layouts according to the instructor's teaching style and prepare for workshop-style when

neccessary.

(g) Have a microphone available.

(h) Ensure to announce to participants precautions and notable matters from Business Course staff at the start of each course.

(i) Implement Open seminars on an ongoing basis.

(j) Ensure to announce to participants precautions and notable matters concerning test taking at the end of each course.

(k) Secure current and new local instructors on an ongoing basis.

- Current local instructors hold other employment. As their other jobs prevent them from devoting themselves wholy to KRJC even during the Mini MBA Courses, it is necessary to secure current and new local instructors on an ongoing basis.

(l) Secure high quality interpreters on an ongoing basis.

(m) Arrange interpreters and provide teaching materials translated into English whenever a Japanese instructor will attend a lecture taught by a local instructor.

(n) Always be cost conscious when managing Business Courses.

With the addition of a third Business Course staff member in R22 and other developments, it has been confirmed that, as of R24, action is being taken in response to each of the issues pointed out in R21, which was the start of the contract work. A clarification of a scope of responsibilities of each staff member has improved communication with tje instructors, and that has likely contributed to the improved evaluation scores of the instructors. In addition, the practice of holding scheduled BC meetings on Wednesdays has led to efforts to thoroughly implement the PDCA cycle and share information within the department and the Center. Furthermore, two BC staff members took the opportunity to visit UJC in August 2018, and BC received visitors from UJC in November of that year. These mutual visits significantly stimulated the improvement of Business Course management at KRJC. To be more concrete, various constructive proposals were made by them, such as to introduce new courses as a result of comparing the curriculums of PMP (Professional Management Course) of UJC and Mini MBA Course, to conduct screening of applicants for the Mini MBA Course so as to prevent dropouts in the middle of the Course and to plan an exchange event of local instructors of UJC and KRJC.

#### 3.10 Technical Transfer to the Local Instructors

Collaboration between the Japanese instructors and the local instructors was promoted in each of the courses taught by the Japanese instructors: "Product Quality Management," "Marketing," "Human Resources Management," "Financial Management," and "HACCP." In some courses, the Japanese instructors and the local instructors discussed who would be responsible for which parts. Concurrently, the Japanese instructors audited the courses taught by the local instructors with an interpreter, and offered advice on anything that stood out to them. Each of the local instructors who were audited received comments from excellent Japanese instructors with advanced expertise.

As explained previously, in surveys administered after the courses, participants gave higher scores to the local instructors than the Japanese instructors, particularly in R21 and R22; this demonstrates that KRJC has hired excellent local instructors with advanced expertise. However, the local instructors obviously have other work to do, which means that some of them cannot prioritize

KRJC courses, making it a challenge for KRJC to consistently secure local instructors. In addition, in April 2018, a training to improve the local instructors' capabilities (Training in Japan) was held. Such training sessions appear to be an effective way to improve the local instructors' capabilities.

#### 3.11 Customer Development and Needs Surveys

The number of participants in the Mini MBA Course, the core of the Business Course provided by KRJC, increased steadily, from 55 in R21 to 63 in R22 and 70 in R23. However, the transition from an Afternoon-Evening offering to a Morning-Afternoon offering resulted in fewer sign-ups for the Afternoon Course; thus, in R24, only the Morning Course was offered with mere 39 participants. For the Seminars and Special Seminars as well, low growth in the number of participants is an issue.

After reflecting on on the fact that KRJC relies tooo heavily on a word-of-mouth and lacks effective activities to find new customers via different channels, a suggestion was made to approach various industrial groups and companies with needs surveys since R24. The questionnaire surveys prepared for this purpose is shown in ANNEX 3 and ANNEX 4. These surveys were created to enable anyone who makes the visit to gather and amass important information by following the questions on the survey form, and the proposal was made to add improvements as necessary in the course of implementing the activity.

On December 20, BC staff members came along to a meeting with Mr. Erlan Eresheev, the director of the Union of Entrepreneurs of Kyrgyzstan, and gathered information according to the survey form and exchanged opinions. As a result, the Director Elran promised to send information about KRJC Business Courses to the roughly 500 active members of the union, and to take the next Mini MBA Course himself in R25. The director offered Time Management, HRM, Taxation, and Business Management as his desired seminar topics.

## 3.12 Support for B Club Activities

On March 23, 2018, KRJC hosted the second general meeting of the B Club (before then referred to as the G Club), an organization of graduates of the Mini MBA Course, to promote interaction among the members. At the meeting, six steering committee members were appointed to serve under the Chairman Vitaliy and to manage subsequent B Club activities. In addition, a Free Consultation Program (See 3.5 Consultations, Individual Consultations, and Free Consultations) was introduced for the B Club members and the current Mini MBA Course participants in R23 in an effort to support activities of the B Club members after completion of the Mini MBA Course. In addition, the B Club Chairman Vitaliy came along on the visit to UJC in August 2018 described in "3.9 Transfer of Technical Knowledge to Operate and Administer Business Courses", which also

contributed to promoting interaction with the A Club, an organization for graduates of UJC's Professional Management Program (PMP).

## 3.13 Coordination with Other JICA Projects

Efforts were made to introduce KRJC Business Course activities through proactive participation in exchange events, agricultural business promotion program meetings and the like held at the JICA Kyrgyz Office. Coordination is proceeding with the One Village One Product (OVOP) Project and the Forest Products Project in particular, and as explained in 3.3 Custmized Course (C Course), the training for staff members of each of these projects has received high scores.

## 3.14 Support for Improving KRJC Cash Flow

During R21, R22, and R23, a Japanese instructor for the financial management course gathered relevant information, interviewed relevant people, and analyzed the results of KRJC's financial situation. The instructor summarized the results of the analysis and reported them to KRJC in R24. The summary of the report is stated in "4.13 Support for Improving KRJC Cash Flow". Unfortunately the financial situation of KRJC is not improved and still in deficit.

In conjunction, efforts were made to make Business Course Department staff members aware of the basic ways to improve cash flow -increase income (in other words, increase the number of participants) and reduce costs- as part of their daily tasks.

# 4. Activity Results in the Kyrygz Republic

Table 4-1 shows the expected outcomes of the Project, the corresponding PDM outcome indicators, and the corresponding activity results.

	Expected Outcome	Activity Results				
	(1) KRJC's function as a human resource development center is strengthened to develop business persons to contribute to diversification of economic sectors in the Kyrgyz Republic.					
10 civersine						
Indicator		Each Course was revised in each round along with the Mini MBA Course and Seminars, and new courses were				
1	established/improved/discontinued based on	· · · · · · · · · · · · · · · · · · ·				
	the needs of human resource development	added, improved or removed.				
<b>T</b> 1 (		As shown in ANNEX 1, the overall four-round averages				
Indicator	Average satisfaction level of business course	for each component exceeded the target of 85%, with $440,000,000$ for $1 - 10^{-1}$ in Fig. 4.20,007 (0) for				
2	participants reaches 85%.	4.49 (89.8%) for the Mini MBA Course, 4.38 (87.6%) for				
		the Seminars, and 4.57 (91.4%) for Custmized Course.				
Indicator	Share of teaching time by the Kyrgyz	The share of teaching time by the local instructors in the				
3	lecturers reaches 70%.	Mini MBA Course in R24 was 38 days compared to 22				
		days by Japanese instructors, or 63.3%.				
		Although the schedule is irregular, KRJC management				
		and BC staff members visit companies that have				
Indicator	Follow-up activities for business course	completed the Mini MBA Course, and B Club general				
4	graduates are implemented more than 4 times	meetings are held once per year. Furthermore, the Free				
-	annually	Consultation Program has been implemented for the B				
		Club companies since its introduction in R23. (For results,				
		see ANNEX 2)				
(2) KRJC	is sustainably operated by KRJC staff and with the	e initiative by Director from the Kyrgyz side.				
		There is a Mid-term Operation Plan $(2016 - 2020)$ , and				
To diameters	Annual activity plan is formulated and implemented every year by KRJC staff based on the approved Mid-term Operation Plan.	annual operation plans are formulated each year via Joint				
Indicator		Coordination Committee (JCC) meetings. KRJC staff				
1		members formulate a Business Course schedule for each				
		round for implementation.				
		Operation plans including budget plans are formulated				
		each year, and a system was established in which				
		applications including cash flow analysis based on				
		projected numbers of participants are submitted prior to				
Indicator	Financial statements are analyzed by KRJC	offering each of the Mini MBA Course, Seminars and				
2	staff and budget plan based on the analysis is	Custmized Course.				
-	formulated every year.	In addition, JICA initiated the introduction of				
		QuickBooks, a detailed financial analysis tool, which may				
		further enablic analytical capabilities of the Center in the				
		future.				
(3) KR IC	establishes the function as a basis to promote hun	nan resource networking between the Kyrgyz Republic and				
Japan.	establishes are renouted to a basis to promote num	in the rest of the the test of the rest of the test of				
Jupuii.		The following Japanese companies have provided				
		information on their visits to the Kyrgyz Republic:				
		Fujitsu (January 2017), Azuma Shipping (February				
	Activities on business human resource					
Indicator	networking and information sharing between	2017), MUFG Bank (February 2017), KeyNoters (August 2017), Talaya Pana Mfg (Dacamber 2017)				
	the Kyrgyz Republic and Japan are organized	(August 2017), Tokyo Rope Mfg. (December 2017),				
1	regularly and bring more than 5 practices	Koei Research & Consulting (August 2018)				
	annually.	In addition, the following activities were implemented				
	-	during FY 2018:				
		Support for the Kyrgyz-Japan Business Forum sponsored				
		by ROTOBO/Ministry of Economy (February),				

		introducing two B Club companies to Ricoh (March),
		hosting the B Club general meeting and introducing
		Tokyo Rope Mfg. (March)
		Over 15 study tours and internships have already been
		conducted in collaboration with Japanese universities and
		other organizations as follows:
		Nagoya University (August 2016, August 2017),
		University of Tsukuba (September 2016,
Indicator	Activities in collaboration with Japanese	February/September 2017, March/September 2018),
2	universities and other organizations are	Osaka University (November 2016), Tokai University
2	implemented more than 15 times.	(November 2016, January 2017), Japan Society for the
		Promotion of Science (November 2016), Doshisha
		University (March 2017), Kansai University (September
		2017, September 2018), Tokyo Woman's Christian
		University (November 2017), The Takeda Foundation
		(Sakura Science Program: January/July 2018)
Indicator	Activities to promote human resource	Under the instructions from KRJC management,
3	networking and information sharing is	BC staff members make all arrangements for
	regularly planned and implemented with	information sharing during Japanese company visits,
	involvement of KRJC staff.	visits to B Class member companies and the like.
		Similarly, KRJC staff members promote collaboration
		with Japanese universities.
		marsuparece anterchildes.

## 4.1 Mini MBA Course (A Courses)

(1) Course management

It has been confirmed that KRJC is independently and capably managing all aspects from recruiting participants to implementing opening and closing ceremonies and courses, and managing schedules.

## (2) Contributing to participants

The four rounds from R21 through R24 have produced 227 graduates, roughly 80% of whom are business managers and management personnel. The courses have likely contributed to improving their management capacity in addition to promoting the founding of businesses through the creation of business plans and making a measurable contribution to the diversification of the economy of the Kyrgyz Republic.

(3) Responding to changes in needs and ensuring the quality of the courses

In particular, efforts are constantly underway to find ways to respond to changes with regard to the Mini MBA Course, which is the cornerstone of the KRJC Business Courses. New topics are continuously added in each round; what started with 10 courses in R21 is now a total of 16 courses in R24. These efforts ensure the quality of the Mini MBA Course.

In addition, the performance of the instructors has a substantial impact on the quality of the courses. However, participants rated the Japanese instructors lower than the local instructors in R21 and R22; thus, the performance of Japanese instructors was not satisfactory then. Discussions were held with individual instructors based on questionnaire surveys administered to participants after the courses and comments from BC staff members, and they were asked to improve the course content as well as their teaching styles-to make the courses more interactive to encourage participation, to engage the participants and answer the questions carefully, to be sure to provide comments on participants' presentations, and the like. As a result, as shown in ANNEX 1, evaluations of the Japanese instructors increased each round, from 3.98 in R21 to 4.11 in R22, 4.54 in R23 and 4.63 in R24; thus, the performance of the Japanese instructors became satisfactory.

Course material -namely, syllabuses and textbooks- is another critical element for ensuring course quality. In many cases, instructors sent course materials directly to BC staff members in communication with them, and BC staff members posed questions from their perspectives as experts. The system changed in response; starting in R24, materials are sent to the Business Course Department after being checked by the general and vice general managers.

Furthermore, because opportunities to reflect on course implementation directly afterward are critical toward ensuring course quality, a proposal was made to introduce Review Meetings, and they are being implemented. First and foremost, the results of questionnaires administered to participants directly after the courses are promptly aggregated, comments in Russian are translated into English, and the survey evaluations are summarized. This information is used as the basis for discussions about points of improvement between the instructors and the BC Department and the KRJC management. The discussions focus on how both instructors and the BC Department can improve, and focus not on criticism but on constructive discussion for improving course quality.

## (4) Participant surveys

Overall evaluations from participant surveys were high and improved with each round (4.35 in R21, 4.39 in R22, 4.59 in R23 and 4.64 in R24); this demonstrates that courses have been highly effective and practical throughout the four rounds.

The overall average evaluation for each of the six items -Content, Explanations, Materials, Interpreters, Textbook Translations, and Course Management- over the four rounds is over 85% (4.25 points), which indicates high-quality course management.

#### 4.2 Special Seminars (Former E Courses)

#### (1) Course management

Starting in R22, BC staff members held discussions with the instructors to select topics likely to meet the potential new customers' needs, and held Special Seminars accordingly; this demonstrates the strength of their course management.

#### (2) Contributing to participants

Over the four rounds from R21 to R24, 34 courses were offered to a total of 640 participants, comprising an average of 18.8 participants per course. The courses likely contributed to providing

solutions to many business managers, core management personnel, and people seeking to start businesses in the Kyrgyz Republic.

#### (3) Participant surveys

Overall evaluations from participant surveys failed to reach the PDM target of 85% (4.25 points) in R21 (4.20) and R22 (4.19), but improved to 4.60 in R23 and 4.54 in R24, for an overall four-round average of 4.38 points. This indicates that, overall, the courses were effective. However, the improvement of instructors whose evaluations were less than four points remains an issue.

## (4) HACCP

Specifically, courses on topics related to HACCP, a relevant topic in the food processing industry, have been implemented. Participants were very interested and gave high scores after each of the courses: 4.50 in R21, 4.47 to the Japanese instructors and 4.54 to the local instructors in R22, 4.73 to the three courses taught by the Japanese instructors and 4.65 to the local instructors in R23, and 4.76 to the Japanese instructors and 4.50 to the local instructors in R24.

However, a total of 93 participants attended the seven courses over the four rounds, which is an average of 13.3 participants per course. This is disappointing given the attention the topic receives in the business world. So few participants signed up for the courses in R24 that they were both canceled; thus, attracting participants is a challenge. As stated in "3.7 Open Seminars", although the necessity to deal with HACCP is well recognized in the food-related industry, there is no sense of urgency in the industry to deal with HACCP-related issues immediately. Since there are various businesses associations in the food-related industry such as dairy products, livestock business, food processing business, hotels and restaurants, it is recommended to develop a cutomised seminar to meet the need of each association and pay a visit to each association prior to the seminar as a part of public relations efforts.

#### 4.3 Custmized Course (C Courses)

#### (1) Number of cases

In R21, 62 participants participated in three courses for two cases. In R22, 248 participants participated in nine courses for nine cases. In R23, 117 participants participated in eight courses for five cases. In R24, 83 participants participated in four courses for four cases. Over the four rounds, a total of 510 participants participated in 24 courses for 20 cases (an average of 21.3 participants per course).

## (2) Participant surveys

In questionnaire surveys administered after the C Courses, participants gave high scores in each of the four rounds (4.45 in R21, 4.40 in R22, 4.69 in R23, and 4.75 in R24); the courses likely

contributed to providing solutions to the respective companies and organizations' business problems. This demonstrates that, essentially, the courses were implemented in line with the circumstances of the individual companies and organizations, and that they were satisfied with the content of the courses.

## 4.4 Consultations,

In the initial stage of the Project, the groups of courses in the Business Course were thought of as linked, and efforts were made to produce a cycle in which the Individual Consultations and Consultations derived from the Mini MBA Course and Seminars would lead to Custmized Course. Although some of the Custmized Course was indeed a result of such cycle, it was such an insignificant proportion that, starting in R23, Free Consultations by Japanese instructors were offered to address the concerns of the B Club members and the Mini MBA participants. Eight companies applied in R23, and six companies applied in R24. The consultations likely were contributed to solbing each companies' business problems.

## **4.5 Regional Seminars**

As explained in 3.6 Regional Seminars, a total of 174 participants participated in 12 seminars held in Osh, Karakol and Talas (an average of 14.5 participants per seminar). According to the aggregated results of questionnaires administered to participants after the seminars, the overall evaluations of the R22 seminars in Osh and Karakol were 4.50 and 4.43, respectively, and that of the R23 seminars in Talas and Karakol were 4.65 and 4.89, respectively. Overall, the Seminars earned an extremely high average score of 4.63 points, which suggests that the Seminars were aligned with the circumstances in each region.

### 4.6 Open Seminars

Three Open Seminars were offered in R21, and five were offered in R22. However, the intended effects of attracting participants to Seminars and priming the pump for Custmized Course were limited; thus, only one Seminar on the topic of food sanitation was held in each of R23 and R24. In R23, 50 people participated in the open seminar; however, as a result the effects of attracting participants to Seminars were limited. In R24, the open seminar was organized in the form of a panel discussion and had a poor result with only 5 participants. Over the four rounds, a total of 567 participants participated in 10 Seminars. The seminars appeared to be an effective part of public relations activities for KRJC Business Courses.

## 4.7 Training in Japan

#### (1) Trainee lessons

Training in Japan held in September, 2017 focused on a chain of processes; specifically, 'issue setting $\rightarrow$ lecture', 'company visit training $\rightarrow$ training review $\rightarrow$ action plan creation $\rightarrow$ presentation of results'. It is believed that the training was conductive to practical implementation of the concepts learned for each participant who participated.

Notably, in Issue Setting led by course leader, it was possible to clarify a goal of participation and learning priorities. Meanwhile, in the training review, ways to connect learnings to a specific action plan after returning home were actively discussed in group discussions. The Results Presentation on the last day reflected participants' and awareness of issues and familiarization with learned concepts regard to each site visited, and provided a glimpse into the fact that training was well attuned to problems and interests of participants.

## (2) Exchange with Japanese companies

One session (half day) was used in the training to hold an event entitled "An Introduction to Kyrgyz Republic: Seminar and Business Exchange Meeting." with the participation of 25 people from 18 companies. The event is thought to have provided a meaningful platform for exchange. A lecture titled "A Vision of Kyrgyz–Japan Business Relations" by Mr. Ichiro Kumakiri was also included by linking to the JICA Kyrgyz Office by the video conference system, which was a particularly effective session. An introduction of KRJC activities by KRJC Business Course staff members was also highly worthwhile as a means to promote KRJC.

#### 4.8 Transfer of Technical Knowledge to Operate and Administer Business Courses

Business Course Department staff carry out most of the operational management of Business Courses. The following is a list of tasks that could not be implemented initially, but are now being implemented.

- (a) Course review meetings are held upon the completion of Business Courses.Weekly Business Course Department meetings are being held on Wednesdays. KRJC management up to the rank of the director attend, and share information, discuss timely issues and attempt to find solutions.
- (b) Three Business Course staff decides what each would be in charge of role and fully handled the courses under their charge. A rule was established wherein a person attending an Evening Course (6–9 pm) would start work in afternoon of the following day.
- (c) The staff has become capable of submitting participant questionnaire summaries within about 2 days after course completion.
- (d) Demographical information of participants taking Mini MBA Courses including graphs are prepared and distributed.

- (e) Classroom layouts are changed in advance according to the teaching style of the instructor.
- (f) A microphone is made available (although it is not used in many cases, depending on the instructor's judgment)
- (g) Precautions and notable matters from Business Course staff are being made at the start of each course.
- (h) Open Seminars are being planned and implemented.
- (i) Highly capable interpreters increased from only one in R21 to three after R22.
- (j) In Financial Management and Accounting courses, in particular, the local instructor-taught course textbooks were translated into English and provided to the Japanese instructor.
- (k) New Business Course themes are being developed, and a continuous supply of excellent local instructors to teach them is being ensured.

#### **4.9 Technical Transfer to Local Instructors**

As mentioned earlier, collaboration between the Japanese and local instructors is being promoted. As for the Production & Quality Management (PQM) field in this regard, a textbook created by the Japanese instructor is jointly utilized by the Japanese and local instructors. They also made agreements on who would be responsible for what topics. This is an excellent example that demonstrates that technical transfer has progressed. Unfortunately, the local instructors to whom technical transfers were given have quit as of R24, necessitating technical transfers to newly appointed local instructors.

In contrast, in other fields, the Japanese and local instructor has each created their own textbooks and are conducting the classes such that lecture content does not overlap. In these cases, however, only limited technical transfer has been achieved. In addition, local instructor-targeted trainings (Training in Japan) held in April 2018, appeared to be quite effective in clarifying their various issues and challenges.

#### 4.10 Customer Development and Needs Surveys

Based on the realization that securing applicants for the Business Courses—that is, attracting participants—is a major challenge for the KRJC Business Course Department, the suggestion was made to approach various industrial groups and companies with a needs survey and the questionnaire surveys in ANNEX1- 3 and ANNEX1-4 were created. The surveys were created to enable continuous customer development activities by non-expert BC staff members by visiting industrial groups and companies, giving presentations that introduce KRJC, and following the questions on the survey form to obtain important information. On December 20, 2018, BC staff members came along to a meeting with Erlan Eresheev, the director of the Union of Entrepreneurs of Kyrgyzstan, and gathered information according to the survey form and exchanged opinions.

Ultimately, the information was obtained, along with a promise from the director to send information about KRJC Business Courses to the roughly 500 active members of the union; this demonstrates the effectiveness of the survey forms.

#### 4.11 Support for B Club Activities

At the second B Club general meeting held on March 23, 2018, which was attended by roughly 110 members, the establishment of a steering committee was confirmed. In addition, a unique event known as "speed networking" was held to encourage the members to network with each other.

The Free Consultation Program introduced in R23 has contributed solutions and business activity improvement to B Club members through eight consultations in R23 and six in R24.

KRJC invited the B Club chairman to come along on a visit to UJC for interaction and exchange in August 2018, thus promoting interaction with the A Club, an organization for graduates of UJC's Professional Management Program (PMP).

#### 4.12 Cooperation with Other JICA Projects

Collaborations have been successfully undertaken with the One Village One Product (OVOP) Project and Forest Products Project. Follow-up training was carried out on the Forest Products Project in R21 through 'Business Plan', 'Marketing' and 'Financial Management' courses, and again in R22 through the 'Business Plan' course. The post-course participant questionnaire earned high evaluation scores from participants at 4.57 (a maxim schale of 5 points) points.

In addition, the 'PSI (Purchase/Sales Inventory)' course on the OVOP Project in R22 achieved an extremely high evaluation score of 4.77 points in the participant questionnaire.

Furthermore, the four courses — 'Sales Promotion,' 'Accounting,' 'Legal Consultation,' and 'Taxation' — offered for the Forest Products Project in R23 earned an extremely high evaluation score of 4.89 points in the questionnaire.

## 4.13 Support for Improving KRJC Cash Flow

At R24, a report entitled "KRJC Organization Findings and Activities" was summarized and submitted by the lecturer overseeing "financial management" and can be summed up as follows:

- (1) The annual KRJC activity plan is drawn up and implemented by the KRJC staff and overseen by the director; based on the mid-term plan.
- (2) From a financial perspective, expenditure constitutes outgoings that exceed income and the PDM target of "income as 40% of the total budget" also remains unachieved. (Fiscal 2016: 32%, Fiscal 2017: 39%) The agreement to pay 20% of income to KNU thus constitutes a financial burden imposed on KRJC.

- (3) The business department, which earns 39% of revenue, made a shift from two traditional afternoon and evening courses up to R23 to a single morning course at R24 as part of main business mini MBA course, and the reduced number of participants had the knock-on effect of a decline in income.
- (4) KRJC lacks individuals with expertise in accounting and finance and is not configured properly to allow visible financial analysis. Despite the increased burden on the accounting staff, however, after Quick Books (QB) was rolled out from April 2018 as an initiative from JICA headquarters, the KRJC management is expected to assist with the financial analysis and to establish financial strategy.
- (5) The following recommendations are cited as measures for improvement.
- (a)Utilization of QB by KRJC management (to formulate a budget plan, calculate profit, calculate costs, etc.)
- (b)Training for accounting staff (basic accounting knowledge, QB etc)
- (c) Re-evaluating the time zone for implementing the mini MBA
- (d)Consideration to use IT (both hardware and software)
- (e) Seeking revenue sources based on cases cited by other Japan centers
- (f) Renegotiating 20% of income paid to KJC

# 5.Issues, Ideas, and Lessons from Managing the Project in the Kyrgyz Republic

## 5.1 Mini MBA Course (A Course)

#### (1) Operation

As discussed in section 4.Activity Results in the Kyrygz Republic, each course is being smoothly managed steadily by Business Course department staff members. After the course finishes but before leaving for Japan, without exception the Japanese instructor joins a meeting led by the KRJC Director with all concerned parties in attendance, where meeting participants hear the report and devise improvements for future courses. The smooth management is believed largely attributable these type of consistent efforts towards gradual improvement.

Of particular note, increasing the number of staff from two to three in R22 to facilitate smoother course management was assessed as a wise decision that strengthened the department in response to issues pointed out of staff shortages (specifically in Business Course Department in R21), preventing them from adequately handling courses.

## (2) Responding to Changing Needs and Ensuring Course Quality

Courses on new topics have been introduced with each round in response to changing needs; therefore, fully understanding training needs and revising curriculum as necessary will continue to be a constant challenge. In R23, as one strategy for surveying the needs of participants, the question "What kinds of topics would make you want to enroll in training?" was added to the questionnaire administered to participants after courses. The aggregated results of that question are shown in ANNEX1- 5. They should serve as a reference for formulating Business Course plans for the ensuing fiscal year and onward.

It goes without saying that carefully selecting instructors is extremely important for ensuring course quality, and that it is necessary to select the best and brightest instructors, whether they are Japanese or local people. However, it is also important to look back and reflect on courses from the perspectives of the instructors and the management side, and to apply those reflections to make improvements to subsequent courses. Toward that end, a successful proposal was made to hold Review Meetings with instructors and BC staff members immediately after courses are implemented, while impressions are still fresh. The meetings start with an explanation that the purpose is not to criticize but to make improvements to subsequent courses, saying things such as "Thoroughly explaining course objectives at the outset leads to deeper understanding," and "The PCs required for the course should be set up." The meetings have been effective, and continuing to hold them should lead to improve course quality.

#### (3) Creative Efforts of Instructors

After each round, each instructor revises course content while thoroughly maintaining the core elements of each topic. Instructors must incorporate the participant questionnaire results and comments, and the opinions of Business Course Department staff members, and be creative with the course content.

As for teaching methods, instructors must focus on interactive rather than unilateral instruction, and creatively incorporate workshops, group discussions, games, DVDs and other methods to further understanding and increase the applicability of the content. Unfortunately, a challenge remains in that not many comments on participant questionnaires address this point.

### (4) Participant questionnaire summary

Despite high overall evaluation scores during R21 and R22, the biggest issue was that the scores of Japanese instructors were lower than those of local instructors. In response, KRJC identified issues with Japanese instructors, and discussed them at meetings with the instructors in Japan to make them aware of the issues. The following are issues that KRJC shared with the Japanese instructors.

(a) People of Kyrgyz Republic have historically passed down European culture and have, in a good sense, a strong sense of individualism. It is common practice for participants to frankly assert their opinions (and judgments) and expect feedback on the spot as to whether they are correct or not. Therefore, the instructor's response needs to be confident and clear-cut. The Japanese instructors lack understanding different cultures in this respect, which is reflected in the evaluation score.

(b)Participants are expected to learn how Japan companies face problems, how to solve them, and how to apply these concepts at own workplaces. Going forward, the case studies should better meet these expectations.

(c) Motivational movement, passion and enthusiasm are expected to be more prominent features of lectures. Various points for improvement were pointed out to individual instructors, who made efforts to improve their

evaluation scores. Evaluation scores improved in and after R23.

In addition, the question "What kinds of topics would make you want to enroll in training?" was added to the questionnaire as a strategy to survey the needs of participants. Continuous aggregation and analysis of answers to this question are expected to contribute to understanding of changing needs.

#### **5.2 Special Seminar** (Former E Course)

## (1) Course management

In R21, four courses with the same title as the basic Mini MBA Course and one HACCP Course were offered. The five courses attracted 50 participants (average of 10.0 participants per course).

Starting in R22, based on discussions between BC staff members and instructors, courses with themes unique from the Mini MBA Course were introduced in an effort to increase the number of courses and participants. As a result, 26 participants participated in six courses in R22 (37.7 participants per course), 232 participants participated in 12 courses in R23 (19.3 participants per course), and 132 participants participated in 11 courses in R24 (12.7 participants per course). Increasing the number of participants per course remains a challenge.

## (2) Participant surveys

As with the Mini MBA Course, successful efforts to increase evaluation scores of Japanese instructors resulted in overall scores of 4.20 in R21 and 4.19 in R22 improving to 4.60 in R23 and 4.54 in R24

## (3) HACCP (Hazard Analysis and Critical Control Point)

HACCP is an increasingly relevant topic, and when R21 started, HACCP Course Instructor Hatano gathered information about circumstances in the Kyrgyz Republic from public institutions such as the Sanitation Bureau under the Ministry of Health, and Kyrgyz Technical University in an effort to improve the content of the course. Information was also gathered from major regional cities, namely Osh in R22 and Karakol in R23. Furthermore, because the course must accommodate changes to laws and regulations in the Kyrgyz Republic, Instructor Darya, a local instructor, was added to the course in R22 to co-teach with Instructor Hatano. As a result, evaluation scores on participant questionnaires remained high: between 4.5 and 4.7 points over the four rounds. This demonstrates that this is a high-quality course.

In addition, after the HACCP Course in R21, those who indicated a desire were invited on a visit to The Manas Management Company for on-site training befitting a practical course. In R24, the laboratory facilities of Kyrgyz Technical University (the university with which Instructor Darya is affiliated) were rented for technical training. Such efforts to visit companies and use university facilities to go beyond theory to make this a practical course should continue to be effective.

From what people in the market say, despite the fact that all relevant people in food-related industries are aware of the importance of HACCP and the steady demand for HACCP-related training courses, an issue in this sector is the lack of urgency of the health inspectors who make visits in the field, due to their lack of morals. Therefore, it is necessary first to change the way relevant people in the industry think by conducting training in HACCP-related courses out in the field. In terms of creative ways to achieve this, it may be necessary to go beyond advertising the courses via email and social media, and instead engage in slow but steady activities such as approaching relevant groups in various lines of business, including food processing, supermarkets,

restaurants, hotels, dairy and meat processors, having them approach the individual companies among their membership, and visiting them to explain the importance of HACCP.

## 5.3 Custmized Course (C Course)

#### (1) Number of courses implemented

The basic approach to promoting Custmized Course is to develop opportunities to provide it from the Individual Consultations and Consultations after Mini MBA Courses and Seminars, and Free Consultations for B Club members. As a result, over the four rounds, a total of 510 participants participated in 24 courses for 20 cases.

Open Seminars were also held for the purpose of advertising Custmized Course, and although the seminars were highly acclaimed, they did not lead to opportunities to conduct Custmized Course. Almost all the participants in the open seminars were from small to medium-sized enterprises and they tend to keep away from fee-based seminars.

## (2) Participant Questionnaire

Custmized Course Courses were customized for each company through preliminary visits by the instructor and preliminary meetings to survey circumstances at the companies. As a result, participants consistently gave these courses high evaluation scores on their questionnaires; the four-round average score for the 24 courses was 4.57 points.

## **5.4 Regional Seminars**

Profitability is likely the most prominent issue with Regional Seminars. Although there is awareness of the importance and need for regional development, it is not realistic to set seminar prices high enough to cover the interpreter fees, transportation and lodging expenses, daily allowances, seminar venue fees and other expenses required to dispatch instructors to Osh and Karakol or send KRJC staff members and Japanese instructors to regional areas. In addition, it is difficult to recruit participants in regional areas; attracting participants is a challenge. In the three regional cities of Osh, Karakol and Talas, 174 participants attended 12 courses. Evaluation scores from the participants were high; the average score was 4.63 points

Challenges for the near future include finding public organizations to provide support as local partners in an effort toward collaboration, and considering the possibility of providing online training courses.

In addition, the Ministry of Economy is leading efforts to launch a regional entrepreneur support project known as the Business Service Center (BSC) in Osh, and KRJC has been asked to cooperate on educational aspects of conducting Business Courses. If KRJC's cooperation toward promoting this project is finalized, that would be the next Regional Seminar project.

#### 5.5 Training in Japan

For Training in Japan to be successful, thorough advance preparation and various innovative approaches are required. Described below are the most important aspects.

## (1) Issue Setting

In order to provide meaningful training, it is important to have a clear sense of purpose that covers what each trainee is to learn in Japan and how it will solve their own business problems back at home. To facilitate this process, course leaders were deployed who set up a session to determine the agenda on the second day. Each presented their own issues and themes one by one, to which the course leader gave specific advice as to what perspective should be tackled, what companies should be visited to receive insight on solving issues, and what questions should be asked while visiting them.

## (2) Introductory Lecture

To make Training in Japan more effective, Prof. Andrei Beroff of the Faculty of Economics, Fukui Prefectural University was hired to deliver the introductory lecture on the second day. The lecture, entitled "Characteristics of Japan's Economy and Business Practices" was delivered in Russia with generous anecdotes and examples. It turned out to be highly useful in understanding Japan for each trainee.

## (3) Selection of companies to visit

11 companies were selected in consideration of prior requests from KRJC and the application forms of each trainee. It took significant time sort through common issues and then select companies for which it was possible to set themes that match the identified issues. The size of companies was also balanced to include small, medium, and large sized companies engaged in manufacturing, service, and other industries.

## (4) Japanese Cultural Training

Japanese culture training is not intended to be a program that simply visits and introduces tourism areas. Instead, every effort was made to deepen understanding of the cultural characteristics that underlie Japanese Society and corporate management by, firstly, using the first morning session on Sunday to attend a lecture by the Rekishi Kaido Promotional Council. After this, a field trip was made to notable cultural heritage sites including Fushimi Inari and Kinkakuji temple on the same day. Including a tea ceremony experience at Fukujuen, the Japanese cultural training is thought to have been well worthwhile.

(5) Exchange with Japanese companies

An exchange event with Japanese companies was planned and implemented to encourage business exchange between Japan and Kyrgyz Republic, present inside on the Kyrgyz Republic economy and culture, and promote KRJC. Of course, realizing a business exchange between a (participant's) Kyrgyz Republic company and Japanese company would be an excellent outcome. Regardless, the driving concept behind the exchange was to familiarize Japanese company officials to the Kyrgyz Republic and kindle interest, given that the country itself is not well-known is not well known and there is limited interest at this point in time.

As its specific program, the exchange comprised the following structure.

(a) A lecture titled "A Vision of Kyrgyz–Japan Business Relations," delivered by linking the JICA Kyrgyz Office to the video conference system.

(b) An introduction to Kyrgyz and KRJC by KRJC staff.

(c) A general overview of the industries of the Kyrgyz Republic by trainees (description by industry).

(d) Exchange of business cards and socializing.

An exhibit of products brought from the Kyrgyz Republic was well received and attendees enjoyed lively interaction with each other. The Exchange event is deemed to have achieved its purpose with the participation of 18 Japanese companies and 25 people.

(6) Training review and preparation for Results Presentations

To reaffirm Concepts learned during Training in Japan and promote practical application after the participants return to their home country, two retroactive training reviews were scheduled. The 'Interim Training Review' provided the opportunity to check the consistency of each participant's own issues and acquired knowledge in the first half of training. Likewise, a 'Final Training Review' did the same for the final half of training. The acquired knowledge of each trainee seems to have been firmly implanted through the group discussions and comments from the course leader.

In the Results Presentations on the final day, each participant was allotted 10 minutes to deliver a presentation. Although just 10 minutes including interpretation time did not allow for detailed explanations, presenters touched on what they learned through training, discoveries, and how they intended to implement Concepts in their own lives and workplaces upon return to their home country. As such, it is deemed that the intended purpose of Training in Japan was achieved.

## 5.6 Transfer of Technical Knowledge to Operate and Administer Business Courses

The results of operating Business Courses were described above. In addition to that, however, another excellent innovation in R22 was for the business department staff increased to 3 people to clearly define the fields (courses) that each was in charge with. This resulted in not only fostering

a sense of responsibility for each person's area of responsibility, but also improved communication with the managing instructor and helped lead to the results described earlier in this document.

In addition, the practice of holding scheduled interdepartmental meetings on Wednesdays has made great contributions not only to information sharing but also facilitating Business Course management.

However, these outcomes require continuous efforts, and thus could become a challenge. The intent is to make continuous efforts on the following challenges.

- (a) Continue holding post-Business Course review meetings to help improve course management.
- (b) Business Course staff should continue to fully handle courses and maintain a sense of responsibility for the courses' management
- (c) Continue to assess training needs on an ongoing basis and revise curriculum as necessary.
- (d) Focus efforts on securing local instructors on an ongoing basis.
- (e) Focus efforts on securing interpreters and translators.
- (f) Be mindful of the costs and participant enrollment in each course.
- (g) Consider the possibility of an online training course.

(h) Approach industry groups that KRJC has not contacted to date in an effort to develop new customers. Conduct follow-up visits to graduates of the Mini MBA Course as a public relations strategy.

## 5.7 Technical Transfer to Local Instructors

Specifically, in the production quality management field, technical transfers took the shape of Japanese and local instructors working together to teach each course after using textbooks created by the Japanese instructors to hold preliminary discussions to determine which instructors would be responsible for which parts. However, in other fields, the preliminary discussions focused more on avoiding overlap between the parts for which the respective instructors were responsible; actual technical transfer was limited.

In addition, Training to Cultivate Local Instructors (Technical Training in Japan) held in April 2018 appeared to be quite effective in promoting understanding of Japanese-style management. KRJC organizes business courses on the basis of Japanese-style management, however, there are not much opportunities for local instructors to learn about Japanese-style management. In this Training in Japan, great opportunities were given to them not only to study instruction skills of business courses but also to learn about Japanese-style management and at the same time to actually see how Japanese-style management is practiced in Japanese enterprises by actually visiting some of them. It is considered that these real experiences were very effective to understand Japan as well as Japanese-style management.

#### 5.8 Customer Development and Needs Surveys

As explained in "4.10 Customer Development and Needs Surveys", securing applicants for the Business Courses—that is, attracting participants—is a major challenge for the KRJC Business Course Department. Since good recruiting activities have been carried out by e-mailing to those companies in the KRJC database, putting the course information on the KRJC website and advertising on SNS, it is considered necessary to attract new customers. Some cases were observed that KRJC was not known while there were definite needs for business courses, and therefore the suggestion was made to approach industry groups that had not yet been contacted for the purpose of new customer development. Toward that end, the questionnaire surveys in ANNEX1-3 and ANNEX1-4 were created to enable BC staff members to carry out the task even when unaccompanied by Japanese experts. The intent is for BC staff members but also to survey needs. As these visits are made and these surveys are conducted, questions should be added or revised, and other considerations made to improve the surveys.

## 5.9 Coordination with Other JICA Projects

Although coordination with the One Village One Product (OVOP) Project and the Forest Products Project has been successful, proactive efforts must be made continuously to coordinate with other JICA projects.

# 6. Action Plan for the Next Term in the Kyrgyz Republic

Obviously, the Action Plan for Next Term has not been discussed with KRJC, nor has an agreement been reached; therefore, the following is a proposed schedule and new projects mainly for the Mini MBA Course and Seminars, the core components of KRJC Business Courses, based on the results of the past two years.

## 6.1 Business START Course

In a new undertaking for KRJC, the Business START Course, an intensive introductory business course, will be offered. Some participants felt that the Mini MBA Course covered too much ground, and many people—including participants—have indicated a desire to learn the basics of business, learn about business for future careers, and discover business ideas; the Business START Course should serve as a meaningful step to prepare people for the Mini MBA Course. The plan calls for the Business START Course to be offered in the time between rounds.

## (1) Objective

To contribute to the diversification of industry in the Kyrgyz Republic by teaching the basics of business, providing hints for discovering business ideas, and propagating other knowledge to beginners in business and corporate management who have an entrepreneurial spirit but do not know where to start. In addition, to prepare a group of Business START Course graduates for taking the Mini MBA Course.

(2) Target

People with an entrepreneurial spirit

- (3) Period (2 times per year)
  - February 18-March 2, 2019
  - August 2019
- (4) Course duration: 36 hours (3 hours per day x 12 days)
  - Monday-Friday: 17:00-20:00
  - Saturday: 9:00-12:00
- (5) Instructors

Local instructors who teach the Mini MBA Course

- (6) Main course content
  - · Strategic management, including entrepreneurial knowledge and basic approach of Japanese-style management
  - How to cultivate business ideas
  - · Market analysis and how to find niche fields
  - Basics of marketing

- · Basics of accounting, finance, tax matters and legal matters
- · Basics of business planning
- · Examples of success in the Kyrgyz Republic and Japan

## 6.2 Mini MBA Course

With a continued emphasis on the Mini MBA Course as the core of the Business Courses, efforts will be made to raise the management capacity of Kyrgyz companies and contribute to the diversification of industry by propagating basic knowledge about business management to business managers and people seeking to start businesses, and having participants create their own business plans.

The following are proposed schedules for spring (R25) and fall (R26) courses. As explained previously, the proposals are based on the results of courses over the past two years, but KRJC has not confirmed them.

(1) Proposed Schedule of R25 (2019 Spring Course)

	Course Instructor Proposed Sche			
	Course	Instructor	Proposed Schedule	
	0		2019	
	Opening ceremony	_	4/05	
1	Japan, Economy & Business	Local instructor	4/08	
2	Japanese-style Management	Japanese instructor (a)	4/09-10 (2 days)	
3	Business Plan	Local instructor	4/11-12 (2 days)	
4	Business Planning	Japanese instructor (b)	4/15-16 (2 days)	
5	Strategic Management	Japanese instructor (b)	4/17-18 (2 days)	
6		Japanese instructor (b)	4/10/20 (0, 1,)	
6	Production Quality Management	Local instructor	4/19-30 (8 days)	
7	Macro/Micro Economy	Local instructor	5/06-07 (2 days)	
0		T 1' / /	5/08-13 (3 days)	
8	Business Plan Consultation	Local instructor	7/01-03 (3 days)	
0		Japanese instructor(c)	5/14/24/0 1	
9	Marketing	Local instructor	5/14-24 (9 days)	
10	Sales and Export	Local instructor	5/27-28 (2 days)	
11	Risk Management	Local instructor	5/29-30 (2 days)	
12	Human Resource Management	Japanese instructor (d)	5/31-6/06 (5 days)	

Table 6.2-1: Proposed Schedule of R25 Mini MBA Course

	(HRM)	Local instructor	
13	Accounting	Local instructor	6/07-13 (5 days)
14	Financial Management	Japanese instructor (e) Local instructor	6/14-24 (7 days)
15	Business Law	Local instructor	6/25-28 (4 days)
16	Taxation Management	Local instructor	7/04-09 (4 days)
17	Final Presentation	_	7/16-18 (3 days)
	Closing ceremony	_	7/19

Understanding of the basics of macroeconomics and microeconomics, and analysis of their impact on corporate management are required to formulate business plans; therefore, consider adding a new course: 7 Macro/Micro Economy.

In addition, the proposal is made to have a Japanese instructor and a local instructor co-teach four courses—6. Production Quality Management, 9. Marketing, 12. Human Resource Management, and 14. Financial Management—in an effort toward complete technical transfer over two years (four rounds).

(2) Proposed Schedule of R26 (2019 Fall Course)

	Course Instructor		Proposed Schedule	
	Opening ceremony	_	2019	
	opening ceremony		9/13	
1	Japan, Economy & Business	Local instructor	9/16	
2	Japanese-style Management	Japanese instructor (a)	9/17-18 (2 days)	
3	Business Plan	Local instructor	9/19-20 (2 days)	
4	Business Planning	Japanese instructor (b)	9/23-24 (2 days)	
5	Strategic Management	Japanese instructor (b)	9/25-26 (2 days)	
C	Production Quality Management	Japanese instructor (b)		
6		Local instructor	9/27-10/08 (8 days)	
7	Macro/Micro Economy	Local instructor	10/09-10 (2 days)	
0		<b>T 1 1 1 1 1</b>	10/11-15 (3 days)	
8	Business Plan Consultation	Local instructor	12/04-06 (3 days)	
9		Japanese instructor (c)	10/17 20 (0.1	
	Marketing	Local instructor	10/16-28 (9 days)	
10	Sales and Export	Local instructor	10/29-30 (2 days)	

Table 6.2-2: Proposed Schedule of R26 Mini MBA Course

11	Risk Management	Local instructor	10/31-11/01 (2 days)
12	Human Resource Management	Japanese instructor (d)	11/04 11 (5 down)
12	(HRM)	Local instructor	11/04-11 (5 days)
13	Accounting	Local instructor	11/12-18 (5 days)
14		Japanese instructor (e)	
14	Financial Management	Local instructor	11/19-27 (7 days)
15	Business Law	Local instructor	11/28-12/03 (4 days)
16	Taxation Management	Local instructor	12/09-12 (4 days)
17	Final Presentation	_	12/23-25 (3 days)
	Closing ceremony	_	12/26

The plan essentially calls for the same program as R25, but it is recommended to monitor the trends of R25 and consider changing the program.

## 6.3 Special Seminar (Former ECourse)

With a continued emphasis on Seminars (E Courses) as courses for experts (business managers and core management personnel), efforts will be made to increase the number of participants with attention paid to select topics that pique their interest.

In light of the reflections on the course related to food sanitation (HACCP) in R24, the proposal calls for customized seminars in line with the individual needs of industries such as the dairy and livestock industries, rather than a general seminar on HACCP. Note that this necessitates approaching each industry and conducting public relations activities in advance to attract participants.

The following are proposed schedules for spring (R25) and fall (R26) courses. As with the Mini MBA Course, KRJC has not confirmed the proposals.

In addition, the plan calls for the same course offerings in R25 and R26; however, monitor the trends of R25 and consider changing the program for R26.

	Course Instructor		Dates
1	Japanese-style Management	Japanese instructor(a)	2019 4/11-13(3 days)
2	How to Guide Surbordinates	Japanese instructor	4/15-17 (3 days)

Table 6.3-1: Proposed Schedule of R25 Seminars

3	Strategic PQM	Japanese instructor (b) Local instructor	5/06-08 (3 days)
4	Strategic Management	Japanese instructor (b)	5/13-24 (10 days)
5	Visual Merchandising	Japanese instructor (c)	5/27-29 (3 days)
6	How to Increase Sales	Japanese instructor (c)	5/30-6/01 (3 days)
7	Leadership & Communication	Japanese instructor (d)	6/07-14 (6 days)
8	Financial Management	Japanese instructor (e)	6/27-29 (3 days)
9	HACCP for Dairy Products	Japanese instructor (f)	6/19-21 (3 days)
10	HACCP for Livestock Products	Japanese instructor (f)	6/24-26 (3 days)
11	ISO 22000 for Food Service	Japanese instructor (f) Local instructor	7/01-04 (4 days)

Table 6.3-2: Proposed Schedule of R26 Seminars

	Course	Instructor	Dates	
1	Japanese-style Management	Japanese instructor(a)	2019 9/19-21(3 days)	
2	How to Guide Surbordinates	Japanese instructor(a)	9/23-25 (3 days)	
3	Strategic PQM	Japanese instructor (b) Local instructor	10/09-11 (3 days)	
4	Strategic Management	Japanese instructor (b)	10/14-25 (10 days)	
5	Visual Merchandising	Japanese instructor (c)	10/29-31 (3 days)	
6	How to Increase Sales	Japanese instructor (c)	11/04-06 (3 days)	
7	Leadership & Communication	Japanese instructor (d)	11/12-19 (6 days)	
8	Financial Management	Japanese instructor (e)	12/02-04 (3 days)	
9	HACCP for Agricultural Products	Japanese instructor (f)	11/20-22 (3 days)	
10	HACCP for Supermarket	Japanese instructor (f)	12/05-07 (3 days)	
11	ISO 22000 for Food Service	Japanese instructor (f) Local instructor	11/26-29 (4 days)	

# 7. Activities in Kazakhstan

# 7.1 Expert Dispach in Kazkhstan

Name	Work	Period		days		
Name	WORK				Kazakhstan	Japan
		2017/6/12	-	6/20		
		(2017/6/5		7/1)		
		2017/10/3	-	10/14		
		(2017/9/21		10/14)		
		2018/1/27	-	2/3		
Uno Shigeru	BC management	2018/6/7		6/11	65	0
One ongeru	_	(2018/6/7		7/1)	00	0
		2018/9/27	-	10/6		
		(2018/9/10		10/6)		
		2018/11/25	-	12/6		
		2019/1/25	-	2/2		
		(2019/1/20		2/2)		
	—————————————————————————————————————	<u>Kazafhstan</u>				
		2017/6/13	-	7/6		
		2017/8/22	-	10/19	1 1	
		2017/11/18	-	12/16		
Hajime		2018/1/27	-	2/24		
Suzuki	Production Quality Management	2018/3/31	-	4/21	252	25
Ouzuki		2018/5/31	-	6/14		
		2018/9/8		10/6		
		2018/10/30	-	11/17		
		2019/1/8	-	2/2		
Ichiro		2018/11/3	-	12/27	05	
Kumakiri	SME Business Promotion	2019/1/13	_	1/22	65	8
Total					382	33

# Table7.1-1 Expert dispach in Kazkhstan

## 7.2 Implementation of Business Courses for 'Production Quality Management'

The main activities in KJC Business Courses are as follows.

- Consulting Project
- Practical KAIZEN Seminar (3 days seminar)
- KAIZEN Mini MBA Introductory Course

## 7.2.1 Consulting Project

During the 1st Dispatch in 2017 there were 11 candidate companies participating in the project, comprising five from Almaty (two ongoing, three new), three companies from Astana (three ongoing), two from Ust-Kamenogorsk (both of which new) and one from Semey (new).

After visiting each company and meeting with top management to provide an overview of 'Practical KAIZEN' and encourage participation in Consulting Projects, nine companies joined the project from the Second Dispatch in 2017.

(1) Project participation Fee: 3 million KZT per company (approx. \$9,500)

	New/Continuing	Company	Business	Consulting/Sub Consulting
	Start year	name:		Practical KAIZEN, current certification
				level
				Initiatives category
Aln	naty			
1	New	TransKom	Mineral transport	Mr. Kanat / Ms. Aiym
				3 <sup>rd</sup> Grade (new start up)
				Transport process improvement
				Freight car repair shop/operating in
				Ekibastuz
2	New	Ariya Zhana	Condo construction	Ms. Gulnara / Ms. Natasha
				3 <sup>rd</sup> Grade (new start up)
				Construction operation
				improvement
3	Continuing	ProMet	Manufacturer of steel	Ms.Bibigul / Ms.Erica&Ms.Aiym
	(2015~17)		containers, towers for	(for 2016-17) 1st Grade
			telecommunication	ProMet Production System (PPS)
				construction
	Not Contract	Galanz	Manufacture and sale	Mr. Kanat S
	(2016)		of soft drinks	(provisional) 3rd Grade
				Unable to continue to participate
				without a contract due to lack of
				budget
	Not Contract	Hoffmann	Integrated	Mr. Kanat S
		Aluminium	manufacturing of	- (new candidate company)
			aluminum building	Could not contract due to outsourcing
			materials	to Korean consultant
Ast	ana			
4	New	Ariya Zhana	Condo construction	Ms.Gulnara / Ms.Natasha
		Astana		3 <sup>rd</sup> Grade (new start up)
		branch		Construction operation improvement
5	Continuing	Banur	Production and sales	Mr.Serik A/—
	(2016~17)		of ice cream	(2016) 3rd Grade
				(2017) 1 <sup>st</sup> Grade

Table 7.2-1 Consulting Project Participant Companies (2017)

				Creation of specialized manufacturing			
				and sales systems			
6	Continuing	Stroiclass	Housing construction	— / Ms.Natasha			
	(2016~17)			(2016) 4th Grade			
				(2017) 1 <sup>st</sup> Grade			
				Creation of specialized building			
				systems			
Semey							
7	New	SZATSI	Manufacturing of	Mr.Serik A / Ms.Erica & Ms.Aiym			
			construction materials	3 <sup>rd</sup> Grade rt up)			
				Improvement of block/tile factories			
				production capacity			
Ust-Kamenogorsk							
8	New	Karavai	Bread baking and	Ms. Bibigul / Ms. Erica			
			sales	1 <sup>st</sup> Grade (new start up)			
				Creation of specialized manufacturing			
				and sales systems			
9	New	Aitas	Processing of meat	Ms. Bibigul / Ms. Erica			
			products	3 <sup>rd</sup> Grade (new start up)			
				Improvement of manufacturing			
				capacity			

## 7.2.2 Practical KAIZEN Seminar (3 days seminar)

A 'Practical KAIZEN' three-day seminar was held once in each of Almaty and Astana to teach knowledge and methods of basic, practical KAIZEN to the Consulting Project participants (candidates) listed above. Participation was unrestricted with any companies facing similar challenges openly welcome.

- (1) Tuition fees: 76, 200 KZT per person (approx. \$250)
- (2) Schedule/Enrollment: see attached participant list
  - (a)Almaty: June 19-21 (Mon-Wed) 2017; 23 participants
  - (b)Astana: September 27-29 (Wed-Fri) 2017; 10 participants
  - (c) Astana: February 2-4 (Fri-Sun) 2018; 15 participants
  - (d) Almaty: November 12-14 (Mon-Wed) 2018; 30 participants
  - (e) Astana: January 28-30 (Mon-Wed) 2019;

(3) Seminar content:

- (a) Days 1 & 2: Classroom lecture (bidirectional communication format)
- (b) Group discussion and presentations

#### 7.2.3 KAIZEN Mini MBA - Introductory Course

To emphasize the benefits of KJC's existence, KAIZEN courses were implemented at Narxoz University, which provided office and classroom space free of charge even after completion of the Technical Cooperation Project. Specifically, although a 'KAIZEN module' had already been introduced in the MBA Course from the spring semester of 2017, in this project a KAIZEN Mini MBA-Introductory Course was incorporated from the fall semester. When a participant finishes this lecture, this lecture (basic course) will be 3 unit merit of the university MBA, and a participant can count up to the graduation unit.

As a result, there were no participants attended regrettably both in the spring and the fall semesters

- Tuition fees: 180,000 KZT (approx. 55,000 JPY) for non-MBA participants
- Course duration: 90 hours (Japanese experts teach the intensive course of 18 hours
- = six hours x three days)
- (1) Spring Semester: Local lecturer, Mr. Kanat S (ISO Consultant)

Final Presentations: Saturday June 24, 2017

	Name	Company / Industry	Presentation content
			$(\Rightarrow \text{Expert comments})$
1	Ms. Natalya ISO Consultant		Practical KAIZEN test run held at a carton box
			manufacturing company (5S / Visualization)
			$\Rightarrow$ Appeal to client top management
			(support continuation).
2	Mr. Maxim	ProMet	• Presentation of efforts in FY2015–16
3	Mr. Andrey		(Application to large-scale tower project)
			$\Rightarrow$ Consider sharing information among staff using the
			collected case studies.
4	Mr. Talgat	Apparel products	• Described the usefulness of discussing various
		sales	aspects during a company visit as a place to learn
			practical concepts.
			$\Rightarrow$ Rather than introducing tools, why not start
			considering how to attract customers?
5	Mr. Alisher	Manufacturing and	Maximizing production capacity through
		sale of construction	production, sales, balanced inventory and reduced
		material	equipment breakdowns

Table 7.2-2 KAIZEN Mini MBA Course Graduates:

			⇒ Close communication between production and sales departments is important.
6	Ms. Aiym	KJC staff	<ul> <li>'Seiri' and 'Seiton' (neat, organized) of a shop interior (general store of an acquaintance running the business alone)</li> <li>⇒ I recommend starting by organizing store merchandise first before jumping into 3S.</li> </ul>

\* Five persons (non-MBA) + 1 KJC staff member

(2) Fall semester: Local instructor, Mr. Kanat

(ISO consultant/same instructor as spring semester)

- (a) Dates held: October–December 2017
- (b) Japanese expert, intensive course schedule: October 13-15 (Fri. Sun.), 2017
- (c) Course duration: Morning: 10:00–13:30 (30 min. Break); Afternoon 14:30–18:00 (30 min. Break); Total six hours/day
- \* Local instructors teach three hours on Saturdays, 10:00–13:00
- (d) Participants: 32 (29 connected to Ariya Zhana Astana)/list attached
- (e) Final Presentations: executed in Feb. 2018
- (f) Lecture content: Materials comprising the KAIZEN Introductory Course content targeted at participants. It is worth mentioning, however, lectures were changed to three days in response to the large participant enrollment from companies in the fall semester intensive course mentioned above.
- Day 1: Classroom learning based on teaching materials (explaining the significance of Practical KAIZEN)
- · Day 2: Three-day course outlined using examples
- · Day 3: Group discussion held and issues faced by participants presented
- (g) Prior to the course, a 'Master Class' was held on Thursday, September 21 (afternoon) to recruit participants, in which about 30 participated, one of whom a participant.
- \* The Applied Course was not held in the 2017 academic year.

# 7.2.4 Technical Transfer to Local Instructors and Consultants

As described in Table 7.2.1 above, for each company participating in the KJC Consulting Project, a local consultation was arranged with KJC Business Course Department staff assigned as sub-consultants.

The local consultants who have approved KJC's implementation concept for its consulting service were selected from participants and graduates of seminars, workshop etc conducted by KJC in the past.

Local and sub-consultants are obliged to accompany Japanese experts when active in an effort to provide OJT (On-the-Job Training) to local consultants. When the Japanese expert is away, tasks that should be completed by the next dispatch period were assigned as "homework" as a means of promoting growth by entrusting progress to the local consultant.

Local consultants spearheaded efforts to review and prepare the Practical KAIZEN guidelines and it is believed that undergoing this process instills a common view and foundation that can underpin more reliable activities.

To ensure quality in local consulting, consultants must meet appropriate requirements, which, to achieve, involve taking a written test prepared by the Japanese expert and creating case studies.

For companies to acquire the skills to competently present at the Kaizen Conference scheduled for April and, by extension, for local consultants to take a primary role in preparing case studies, the plan is for Japanese experts to train local consultants in the 4th Dispatch (Jan. – Feb. 2018).

Local consultant Ms. Natalya (Almaty) was also invited to participate in the Practical Business Training Course in 2017 (held from Oct. 30 to Nov. 10, 2017) to further enhance her knowledge.

#### 7.2.5 Transfer of Technical Knowledge to Operate and Administer Business Courses

## (1) 'Practical KAIZEN' leaflet (ANNEX 4-1)

The KJC staffs were instructed to prepare a 'Practical KAIZEN' leaflet to help support promotional activities. Content was finalized during the 2nd Dispatch through a process of as-necessary consultation and confirmation. The leaflets are being used in various local activities.

(2) 'Case Study Writing' guideline (ANNEX 4-2)

To ensure customers have access to local consultants with the skills to provide specific 'Practical KAIZEN' consulting and conduct certification audits, a 'Case Study Writing' guideline modeled on past cases (2015–16) was prepared and presented to KJC during the 1st Dispatch (June – July 2017).

#### 7.2.6 Providing Information and Cooperation to Relevant Organizations

To promote the Consulting Project, efforts were made to provide information and cooperation to the following organizations through KJC to elicit support:

(1) DAMU (Entrepreneurship Development Fund):

(a) DAMU (headquartered in Almaty) is the implementor of the national program "Business Roadmap 2020," and operates under the jurisdiction of the Ministry of the National Economy.
(b) Provider of information on KJC Consulting Projects to Kazakhstan companies and Kaizen Conference co-sponsor

(2) KIDI (Kazakhstan Industrial Development Institute): Implementing agency of "Subsidies for companies participating in the project" and national program "Productivity 2020" (headquartered in Astana). Ministry of Investment and Development holds 100% of shares.

(a) Subsidizes consulting programs and training expenses etc. in state-designated priority industries (mainly manufacturing).

(b) The KJC Consulting Project falls under the criteria of "productivity improvement" as prescribed by KIDI. Provided participating companies meet certain criteria, they can receive a subsidy (to refund up to 40% of consulting fees).

(c) The KIDI Vice-President participated in the 'Practical Business Training Course' in Japan in 2017 and was able to gain a deeper understanding of KAIZEN and the project.

(3) ATAMEKEN (National Chamber of Entrepreneurs of the Republic Kazakhstan): An NPO that 'Distributes Project Information to Member Companies' and brings together 125 industry groups in Kazakhstan. ATAMEKEN provides advice on business-related laws, policy making, etc. from a company standpoint.

(a) Members range widely from small- to large-scale companies and the organization is often described as the "Kazakhstan version of the Japan Business Federation"

(b) The current top leader is the son-in-law of the President of Kazakhstan and it conducts in line with the government's intent.

(c) Provider of information o KJC Consulting Project to member companies

#### 7.3 Activities in the field of promotion of small and medium enterprises

#### 7.3.1 Collect information on small and medium enterprise promotion areas

In the former Soviet Union, after the Russians in the former Soviet Union, it has a vast land area, ninth largest worldwide, with economic growth growing out of Central Asia against a backdrop of abundant natural resources.

Politically, it gained high support, such as winning with a vote rate of 97% in the 2015 presidential election. Aiming to enter the "top 30 advanced countries in the world" by 2050 by escaping from a high economic structure dependent on natural resources, the national "Kazakhstan 2050" strategy was announced in the presidential address speech made in December 2012.

Based on "Kazakhstan 2050", the president presented "Five policies of Modernization 3.0" in January 2017 as follows:

- (a) Accelerate Technological Modernization
- (b) Improve the Business Environment

- (c) Provide Economic Stability
- (d) Improve Human Capital
- (e) Implement Institutional Reforms, anti-corruption measures and security

Among them, (b) "Improve the Business Environment" cited "the proportion of SME contributing to GDP by 2050 would be 50% or more", "expansion of micro credit lines", "promotion of PPP".

Regarding specific concrete national programs, to support industries considered superior, such as SME promotion and agriculture, in January 2016, the following national program was instructed in Kazakhstan under the direction of the President:

- · Business Roadmap 2020
- (Ministry of the National Economy, Investment Development Fund "DAMU")
- · Productivity 2020

(Ministry of Investment Development, Industry Development Institute "KIDI")

· Employment Roadmap 2020 (Ministry of Labor National Social Security)

In Kazakhstan in particular, despite the large land area of the country (ninth largest worldwide) and abundant natural resources, access is poor since it is landlocked and the population is relatively low. However, since "the Eurasian Economic Union" with Russia and Belarus on January 1, 2015 (Armenia and Kyrgyz Rpublic also joined later) was established, it has attracted attention as part of "Business development with a market of 180 million in mind".

In this assignment, we first carried out activities in the following areas:

- (1) Collecting and organizing information on SME promotion areas
- (2) Sharing knowledge in related fields with related organizations
- (3) Promoting reforms that help improve the SME promotion situation by coordinating with related organizations

# (1) Collecting and organizing information on SME promotion fields

The number of workers for SMEs was 3 millions and more statistically in 2016 whichi was consist of about 36% of the total number of workers in Kazakhstan. It also contributes to over 23% of GDP (Committee of Statisticcs). Developing SMEs is one of the national priority economic policies ("Business Roadmap - 2020").

However, according to the OECD research report (Reforming Kazakhstan: Progress, Challenges and Opportunities, the current market share of SMEs' exports is only 5.2% and most are unlikely to be linked to innovation or growth engines. The Kazakh economy has unable to extricate itself from an industrial structure still heavily dependent on resource energy. From the international community, there is concern that the Kazakh economy has shown signs of "Dutch disease" since 2000, which is

an economic phenomenon that causes problems such as non-tradable goods price rising rapidly compared with tradable goods, sluggish exports of trade property industry, falling GDP share and wages rise above productivity etc.

Under Kazakhstan's preferential tax policy, there is no particular system for SMEs.

Dare I say it, the tax payment procedures for SMEs are not as simple as those for large companies (in an interview with EY).

There is a simplified taxation system (patent) for private companies (self-employed businesses), but not SMEs. There are tax incentives for resource-related investors and Special Economic Zones (SEZ) etc., but this also applies to priority industries. Therefore, even if it is an industrial area or SEZ, the preferential taxation system is not necessarily applied.

SMEs can only access 8.2% of Kazakhstan's finance sources. In other words, SMEs in Kazakhstan fund most of their projects not via financial institutions but savings, acquaintances, relatives, etc. After the Lehman shock, the commercial bank loan balance of SMEs continued to decline, even during the economic recovery period of 2011-12.

When it came to estimating the corporate development fund (DAMU), SMEs of Kazakhstan were deemed to require long-term funding of U\$118 billion. In Kazakhstan, although interest rates have steadily declined over the last five years, DAMU has still been offering preferential loans for SMEs over the same period.

However, for many SMEs, high interest rates and stringent collateral conditions remain major obstacles. In Kazakhstan, despite the lack of any clearly targeted policy for SMEs, the Department of Entrepreneurship Development Department (EDD) of the Ministry of the National Economy relaxed government regulations for private enterprises and business environment improvement.

Furthermore, it is working as coordinator for local SMEs and to support entrepreneurs. The National Chamber of Commerce for Entrepreneurs (Atameken) also exists and is deployed in 180 districts in 17 provinces nationwide as the executing agency.

The National Chamber of Entrepreneurs, founded in 2013, is positioned as a consultation desk (for support other than financial) with SME representatives.

(2) Sharing knowledge in the same field with relevant organizations

ADB listed four points as issues for promoting SMEs in Kazakhstan:

- Lack of financial literacy
- Lack of marketing skills (idea that can be sold if produced in the former Soviet era)
- Lack of logistics
- · Inability to diversify

In the meeting with the newly appointed Deputy Director of Entrepreneur Support Department, the Ministry of National Economy, SME policy in Japan and success in the Kyrgyz Republic as examples were explained as necessary tasks for Kazakhstan's SME promotion policy in future and the difficulty in the event of no cooperation among SME promotion policy implementing agencies such as DAMU and Atameken etc. in particular.

In addition, the Deputy Director was concerned about the "MARUKEI" loan implemented by the Chamber of Commerce and Industry and the Japanese Policy Finance Corporation as part of the financial support measures.

Furthermore, he was listening with interest to the explanation that the corporate accelerator program was recently observed increasing its activity in Japan, involving collaboration between large enterprises and entrepreneurs and start-ups. He has expressed his concern and sense of crisis at the lack of satisfactory results to date, despite the significant budgetary expenditure and various policies. The Ministry's measures and policies implemented to date include financial and various management support, tax incentives, etc.

(3) Promotion of reforms that help improve the SME promotion situation Through coordination with related organizations

For Kazakhstan to become more internationally open and capitalistic economy, current situation; i.e., interventions by the sate to the market with exessive regulations impeding generation of innovative activities, needs to be resolved. A sereies of more in-depth and balanced public and private (including SMEs) dialogues for the betterment of such situation, enhancing market-oriented growth, are becoming more and more important.

There are economic organizations that play key roles in public-private partnerships such as Atameken, the biggest organization in the Kazakh business world, the light industry association, the construction association, agricultural union and construction association etc.

What we have learned after assessing feedback from these economic organizations is that various issues have arisen associated with the existence of Atamaken, which obliges corporations to compel mandates, the contents of their activities, the relationship between Atameken and industry groups and so on.

To promote a market economy, dialog with the market is fundamental. Gauging market feedback involves assessing companies closest to the market. In Japan, for example, innovation and kaizen emerged from active dialog and discussion among these companies, unions and organizations.

Within the Kazakh economic world, Atamaken has a significant presence as a seemingly rigid organization, with information and communication barriers which prevent opinions and information

from members at the bottom from reaching the top. There is a need to review the management system for authority transfer and close communication with industry organizations.

Atameken has been conducting various educational and training initiatives for entrepreneurs and SMEs, but member evaluation of the activities remains low (EBRD and ADB have pointed out this problem).

The Under-Secretary of the Ministry of Investment Development has expressed his expectation for aggressive investment from Japanese private financial funds under current circumstances in Kazakhstan where the demand for funding from SMEs remains unmet etc.

ADB has provided loans for SMEs to DAMU, which lends this to SMEs via commercial banks. However, SMEs that cannot provide collateral or guarantees cannot access low-interest loans for SMEs implemented by DAMU. This is largely due to the fact that commercial banks, which are actually lending windows, demand excessive collateral and guarantees from SMEs.

Many entrepreneurs are dissatisfied with the very burdensome loan application procedures to banks. Meanwhile, ADB analysis reveals the problematic lack of bank examination capability. Both sides must improve their financial literacy.

When visiting DAMU, the Vice Chairman asked JICA to dispatch financial experts and provide Kazakhstan's commercial banking members of staff with training to build their capacity.

As per DAMU's information, EBRD has already started training members of staff at the financial institution . In addition, IFC is planning to start training for supply chain finance for further such members of staff.

#### 7.3.2 Strengthening Support for Structure and Activity of KJC

Regarding human resource development adapted to the industry and labor market, there is still a need to meet enterprise needs. (a) In the vocational training field, modern qualification systems and occupational standards are lacking and no vocational training system commensurate with current industrial needs has yet been established. (b) Also, the training curriculum, syllabus, textbooks, etc. are not compatible with the complication and sophistication of industrial manufacturing processes.

(C) Re-training of instructors is not yet commensurate with the present situation

It is hard to say that the efforts of industry-academia collaborations are progressing in the vertical division administration. However, universities and vocational training schools are independently seeking to collaborate with enterprises; calling on instructors from Samsung in Korea and Siemens in Germany etc., to cooperate closely with specific companies until participant OJT and employment.

(1) Strengthen KJC's organizational structure

As a measure to strengthen KJC's business, we urged discussions on five main activities: (a) Review of business course, (b) Collaboration with Kaizen Center, (c) Review of the study abroad fair, (d) Internship/Job placement and (e) Japan business exchange center).

The KJC director thought that it would be difficult to manage business courses in the absence of a Japanese expert from the next fiscal year. Even if it is a Japanese course, needs such as Korean and Chinese are intensifying, but the popularity of the Japanese course remains static. Just recently, the number of participants halved from the peak and has bottomed out with a similar lack of interest in Japanese culture, which is one of the reasons for expanding the government's scholarship system.

The following are the opinions and impressions of the KJC director concerning the business plan proposed by the consultant:

- KJC has experience in conducting study abroad fairs and the ability to pull in more customers.
- KJC has a track record of recruiting and has introduced advanced personnel to Okinawa enterprises.
- KJC lacks experience of entrepreneurship support. Several Business Incubators are also exist in Kazakhstan.
- KJC is interested in KJC's Japan business center plan. Every time, inquiries from Kazakh companies proved problematic.
- There is also scope to collaborate with the Kaizen center.

Based on these answers (refer to the next page), KJC's efforts to make future business plans of KJC were supported.

The following points should be taken into consideration when creating business plans:

- (a) The assumption that no Japanese experts would ever be regularly dispatched
- (b) Failure to assume that JF would work together
- (c) Premise of paying rent from the new fiscal year
- (d) Assumption that KJC would follow the university management policy as a division of Narxoz University

However, if this is not the case, a business plan would be arranged on the premise that

KJC would operate independently of the university (two types of business plan would be made)

As a result of the above, the business plan finally completed was as follows: Details are summarized separately in the KJC 2019 Business Plan. We also created guidance to carry out the KJC 2019 Business Plan as an implementation guideline.

Case	Main Activity	Annual Plan on P/L
Scenario 1	Eight business areas:	KZT279,010
(Currently:	1) Education Learning Business x 4	
Two members of staff)	2) Consulting Business x 1	
	3) 'Study in Japan' Fair x 1	
	4) B to B Business x 1	
	5) Others x 1	
Scenario 2	12 business areas:	KZT1,570,070
(Three members of staff	1) Education Learning Business x 5	
= two + another member of	2) Consulting Business x 1	
staff)	3) 'Study in Japan' Fair x 1	
	4) B to B Business x 1	
	5) Japanese course x 1	
	6) Japan Culture Spread x 1	
	5) Others x 2	

Table7.3-2 Outline of KJC Business Plan

When the answer received from KJC on November 7, 2018 was put in order about the contents which argued a business business hard-hitting measure of KJC, it was as follows.

Business	Availability	Input to be needed for implementation
Sales of Business Education to NCE	Consideration	• No tracking data available for the
	required	graduates.
		• No lectures conducted on 'Start-Up'
		'Entrepreneurs' before as well as no
		lecturers
		• No payment systems for NCE
		• Brochures required to promote the
		practical KAIZEN course to NCE.
Collaboration with Kaizen Center	Possible	• Meeting on Nov 8 with the Owner
		• Inactive but mutual collaboration
		sought.
Practical Business Course for	Conditional possible	• No experience conducting the

	1	
practitioners (Export Business, Starting		'International Tarde Administration'
Business)		Course at KJC
		• For Trading Business, a Japanese
		lecturer is required.
Japanese Language School,	Possible	• Since those courses are carried out at
Education Fair		KJC, they can be conducted
		accordingly.
Recruit Business	Possible	KJC has previous experience of sending
		participants to Okinawa.
		• A business license might be required
		for KJC to engage in such business
		officially.
Support for Entrepreneurs	Consideration	• This business is worth trying.
	required	• Internal discussion will be required
		with MoNE's opinions.
Japan Business Exchange Center	Conditional possible	• KJC has experience of arranging
		on-site visits and industry research.
		• To coordinate with Japanese
		organizations, a Japanese expert must
		be assigned.

By maximizing KJC's resources such as business expansion and changing the priority business areas etc. as described above, KJC is eager to be an attractive sector for Narxoz University, although a limited effect might be expected.

The following chart shows the relationship with the matrix for the demand of Narxoz University and KJC business area.

There was next comment from a KJC Director.

1) The direct benefit requested by Narxoz University is for Japanese experts to contribute to the university curriculum.

2) From a long-term perspective, although some business areas may elicit benefits for college students, it would not suffice to convince the new rector, who remains focused on short-term results.

Demand of	Strengthening	Providing	Courses conducted	'Lecture Meeting'
Narxoz Univ	cooperation with	participants with	by JICA experts as	by Japanese famous
КЈС	Universities in	interesting theme for	curriculums of the	celebrities
Business Area	Japan	their study	Univ.	
Business Course	Х	Δ	Х (No JICA	Х
			experts to be	
			dispatched)	
Consulting	Х	Х	Х (No ЛСА	Х
			experts to be	
			dispatched)	
Business Promotion for	Х	Δ	Х	Δ
Kazakhstan and Japan				
Study in Japan & abroad,	0	Δ	Х	х
Employment support,				
Internship				
Japan visit / Sightseeing	Х	Δ	Х	Х
Cultural Exchange with	Δ	Δ	Х	Δ
Japan				

Figure 7.3-1 Relationship Matrix for 'Demand of Narxoz University' and 'KJC Business Area

(2) Strengthen KJC's planning and management system for business course and consulting service I heard about the theme of KJC's recent business course for 2008 onward, which comprises a Business Plan, Financial Management, Project management, Human resource management, Marketing, Branding, ISO, KAIZEN, Strategic development of company (BSC) and Energy saving etc.

Business Plan, Financial Management, Project Management, Human Resource Management, Marketing, Branding, ISO, KAIZEN, Strategic Development of Company (BSC) and Energy Saving (Human resource management and Project management were popular and the lecturer is considered positive)

According to the sales manager of KJC's Business Course, the selection of themes and the teaching methods of the lecturer more influence in course participants. When the teacher's personality and teaching skills are good, obtaining more participants may be easier. In addition,

many Kazakh managers seek elementary business training to teach necessary business manners such as business ethics.

Furthermore, there might be some difficulty in managing the business course due to KJC having focused on KAIZEN activity in recent years.

Next, when asked what Kazakh people expect of KJC's Business Course, it was as follows: In this point, we also confirmed similar responses in other interviews:

- Japanese expert teaches
- Tuition is free or cheap because it is subsidized by Japan
- Expectation of the opportunity to visit Japan

Certainly, in an interview with BAUR Corporation the other day, they emphasized how they are instructed directly by Japanese experts as to why they are taking Kaizen Consulting Services. Of course, despite some clauses clearly showing us the individual guidance times of Japanese experts and local consultants, clients would have considerable expectations of the business courses conducted by KJC simply because of the name KJC (Kazakhstan-Japan Center).

(3) Strengthen relationship with KJC's business-related organizations and other Central Asia Japan Center etc.

KJC has to perform activities to collect and dispatch business information utilizing the network it has cultivated, so that KJC could build system allowing sharing of information on Japanese companies operating in Kazakhstan and companies visiting there, as well as trends in Kazakhstan firms and movement within Kazakhstan.

At Japan Centers overseas, we have been building business networks by utilizing powerful human resources from Center Alumni Association and JICA Alumni Association.

KJC has been engaging in the "Kaizen Club" (mainly KAIZEN course participants) as an alternative to the alumni association organization. The central figure Asyl (now President of the NPO "Kaizen Club") and Viktor (President of the individual consulting company) who moved this "Kaizen Club" are not present in KJC.

When I asked the KJC director about organizing KJC graduates, the first answer was emphasizing the scale of the budget problem.

We interviewed KJC lecturers and consultants to investigate current KJC graduates or human resources capable of supporting KJC.

Most KJC consultants and instructors felt that elderly people in specialized fields were in production management, kaizen and management. Indeed, the bridging work between Kazakhstan and Japan is not necessarily theoretical, but rather, energetic young people who are more likely to make a move are also more likely to be qualified.

Unfortunately, the current shortlist seems to lack talent capable of leading this field.

Accordingly, the KJC director will seek candidates on an ongoing basis. We also suggested accepting Narxoz University students as interns (indeed, it seems that Japanese courses regularly do so).

(4) KJC strengthens its function as an exchange base with Japan's business industry in the countryand encourages exchange with local and Japanese companies

To get the network supporting exchange promotion, KJC must consolidate cooperation with business organization such as the Japan Chamber of Commerce and Industry (JCCI), ROTOBO, JETRO, SMRJ etc. which have regular interaction with Kazakhstan in Japan.

On the Kazakhstan side, there is a need to consolidate cooperation with DAMU, which implements SME policy and strengthen ties with Atameken and major economic organizations (associations, unions, etc.).

We have strengthened services for Japanese companies that we have already implemented.

Specifically, we will promote and disseminate business information through pamphlets, email magazines and SNS etc. through the Japanese network and strengthen the following services:

· Providing corporate and industrial research to Japanese companies

· Arranging and servicing on-site inspections of Japanese companies

• Introducing Japanese companies to Kazakh enterprises, consultation and introduction services when young people in Kazakhstan wish to take part in internships or get jobs in a Japanese company

KJC must provide the necessary information service for young people in Kazakhstan and Japanese learners utilizing the JETRO internationalization promotion internship program that begins in 2019 and provide contact information by establishing contact with private recruitment companies and individual private enterprises.

In Central Asia, Uzbekistan and the Kyrgyz Republic are proceeding with the foreign technical internship program (JITCO), but needs in Kazakhstan are also potentially considerable. In particular, in local cities, young people have few employment opportunities and ultimately, many young people are coming to work in large cities such as Astana and Almaty. Work opportunities in Japan with JITCO programs and advanced recruitment are expected to be useful in future by providing the young people in Kazakhstan in question with certain employment opportunities and acquiring training opportunities for technology, business knowledge and know-how.

Only KJC can provide Japanese language courses necessary for working in Japan in these systems as well as various other information and support. We also understand the urgent need to develop such infrastructure.

As for the JITCO program, I expressed interest to the Labor and Social Security Department's Labor, Social Security, Immigration Committee Chairperson when explaining the matter. In future, they answered that they would like to conduct research by conducting interviews with the Kyrgyz Republic, Uzbekistan and others. Also, in response to the Kazakhstan government as a matter of this case, the comment came that there was no regulation in particular (namely, that it was free in principle due to the lack of regulations such as law at present).

# 8. Activity Results in Kazakhstan

# 8.1 Sales Results in 'Product Quality Management'

As shown in Section 3.6, the Consulting Project participation fee was revised in April 2016 to 3 million KZT (approx. 1 million JPY). As well as this more appropriate pricing, with seven companies participating in the project in 2016 and nine in 2017, the efforts of this Consulting Project have significantly boosted revenues in the KJC Business Course Department.

According to the End of Assignment Report of Long-term Expert Abe, FY2016 achieved a 25% increase over FY2015 and FY2017 is forecast to reach a 90% increase over 2015 levels.

# **8.1.1 Consulting Project**

Nine participating companies were secured in the 2017 academic year (three ongoing, six new), compared with seven in 2016).

The ongoing participation of three companies from FY2016 was achieved thanks to appreciation of activities and guidance provided in the KJC Consulting Project. This also merits recognition as a project accomplishment.

Things have progressed smoothly with all participating companies. In FY2018, under the guidance of Japanese experts, local consultants took the primary role in preparing case writing (seven) of the participating companies under their charge.

# **8.1.2** Practical KAIZEN Seminar (3-day seminar)

Practical KAIZEN Seminars were held in two cities in 2017, namely Almaty and Astana, attracting a total of 48 participants on three occasions (23 in Almaty and 25 in Astana).

Training in Japan participants are obliged to attend the seminar, preparing them for travel to Japan by first having them learn practical KAIZEN knowledge and techniques. Consequently, the participants could understand it more systematically and theoretically, which is considered yet another accomplishment of the project.

Furthermore, in 2018, the contents of the three-day public seminar were implemented as a technology transfer to the assigned C/P (Ms. Natasha / Astana) In a seminar carried out twice in 2018, the C/P conducted some part of it on behalf of a Japanese expert, which could be considered a success based on our activities

# 8.1.3 Mini MBA KAIZEN - Introductory Course

Although there were just five graduates in the spring semester, almost 30 are expected to graduate in the fall semester, a dramatic increase (awaiting the final presentation results and evaluation scheduled for February 2018)

One KJC staff member (Ms. Aiym) completed the course in the spring semester and was then assigned as a sub-consultant at three participating companies in the 2017 Consulting Project. Steadily achieving activities like this is considered one of this project's accomplishments.

Also, the course contents of Kaizen Mini MBA Introductory Course were implemented in the form of a technology transfer to local consultants (Mr. Kanat / Almaty and Ms. Natasha / Astana).

# 8.1.4 Technical Transfer to Local Instructors and Consultants

Moves to establish a technical transfer to local instructors and consultants progressed by obligating them to accompany throughout a series of activities in the Consulting Project to provide OJT. Example collaborations with local consultants were realized throughout the Third Dispatch, which should be recognized as a project achievement.

The following lists some examples of autonomy by local consultants in Astana and Almaty:

1. In Ms. Natasha's Case (Astana)

Even when Japanese experts were absent, Ms. Natasha voluntarily attended regular meetings of the assigned company and provided appropriate comments to management. According to feedback from participating companies, her efforts significantly boosted promotion of the project.

2. In Ms. Bibigul's Case (Almaty)

By collaborating with KJC staff (sub-consultant) in 'visualization', the assigned company's most serious problem and spearheading progress by leading the plant and workplace managers of participating companies, Ms. Bibigul could earn the trust of the senior executives of these companies.

#### 8.1.5 Transfer of Technical Knowledge to Operate and Administer Business Courses

The preparation of materials that contribute to the transfer of technical knowledge used to operate and administer Business Courses was successfully achieved. These materials will also be used on an ongoing basis for future courses.

- 1. 'Practical KAIZEN' leaflet (ANNEX 4-1)
- 2. 'Guidance to make "Case Study" (ANNEX 4-2)

# 8.1.6 Providing Information and Cooperation to Relevant Organizations

As discussed in Section 3.5, efforts are being made to establish a network with relevant organizations and bodies in Kazakhstan, primarily through the Consulting Project activities.

The participation fee in the Consulting Project of 3 million KZT (approx. 1 million JPY) is considered reasonable from a market price perspective, but would be prohibitively expensive for the average SME. If government subsidies were in place, we could expect more companies to participate.

Accordingly, we have been collecting information through regular contact with Kazakhstan government agencies and working to build up a network by actively participating in events sponsored by government agencies (as panelists).

Partly thanks to these efforts, the KIDI (Kazakhstan Industry Development Institute) deemed the KJC Consulting Project eligible for subsidies from the 'Productivity 2020' program. This was crucial in eliminating obstacles to recruitment for participating companies and helped secure seven participating companies in FY2016 and nine in FY2017.

#### 8.2 Activity Results in 'SME Business Promotion'

# 8.2.1 Information Gathering on 'SME Business Promotion' Area

We conducted surveys on the current circumstances and challenges of individual SMEs as well as the status of policies and activities of related national organizations and how to promote SMEs, by interviewing various economic organizations and individual SMEs.

We also visited international organizations that support SME promotion and exchanged opinions and views with related organizations to explore current issues and directions for improvement.

Trends of Activities by Related Donor/International Organization

- (1) Asian Development Bank (ADB)
- Their financial support program provided SME loan funding to DAMU. In this scheme, Loan to SMEs was lent via commercial banks.
- Since last year the bank has implemented a pilot project to support SMEs in Kostanay. One of the reasons for choosing this district was to develop financial literacy in the area.
- (2) European Bank for Reconstruction and Development (EBRD)

• The main SME support activities are (a) consulting support (cost subsidy program: TAM/BAS program), (b) matching with consultants and enterprises and (c) training local consultants (especially in regional areas)

• The 'Women in Business Program' is carried out now, to counter the fact that support for SMEs implemented by DAMU is a priority industrial sector such as manufacturing industry so that support for service sectors, in which numerous female entrepreneurs work, is missing from the

target.

- There is a scheme to support SMEs through direct corporate support.
- (a) 'Support for Chevron' is consulting support for the company's subcontractor and
- (b) 'Support for Shell' provides educational support for SMEs in local cities through the Shell CSR program.
- (3) International Finance Corporation (IFC)
  - IFC's SME support activities include:
  - (a) Strengthening capacity-building of the financial sector,
  - (b) Industrial human resource development (agriculture, food processing, etc.),
  - (c) Improved access to markets and infrastructure and market research analysis.
  - In the financial sector, IFC strives to introduce Supply Chain Finance (SCF) to commercial banks to address the inability of SMEs to borrow due to insufficient collateral.

#### 8.2.2 Strengthening Support for KJC Organization/Activities

(1) At the meeting with Mr.Almas Issakov, the Deputy Director of the Ministry of National Economy, the direction was confirmed to promote SMEs' business in Kazakhstan by utilizing various services provided by KJC. In the future, we will confirm collaboration through concrete projects, but we will also seek to conclude MOU with relevant organizations such as KIDI, DAMU etc. as necessary. (Annex 4-4 Presentation to MoNE)

(2)To strengthen KJC activities, I confirmed the current situation and reexamined the business based on past experience and actual results. KJC could create a new business plan by seeking collaboration with related government agencies, business associations, private enterprises, universities etc.

(3) It is necessary for KJC (challenges) to secure appropriate human resources and construct a network to develop as a business exchange base with Japanese businesses in the country.

# 9. Issues, Ideas, and Lessons from Managing the Project in Kazakhstan

The results of activities over the period of about one and a half years of this project are summarized in Chapter 8. Especially, the main point is to confirm KJC's core competence to promote SME business in Kazakhstan by utilizing various services provided by KJC, which are confirmed the direction of KJC activities with the parties concerned. The operational issues, ideas and lessons in the process of the project implementing are shown in 9.1 to 9.3, then, the points are

summarized as recommendations to certainly perform the activities required with the realization of KJC's core competencies expected.

1) To obtain support from Narxoz University and to foster their understanding on the KJC activities, KJC is seriously required to work in accordance with the implementation guidelines of the KJC Business Plan and regularly report the activities and results etc. to the Vice-Rector of the University who play very important role for KJC to have common understanding.

2) In order to encourage KJC to continue to be recognized as a "Japan" center, it is necessary for KJC to have Japanese experts' activities in Kazakhstan. In order to secure an environment in which KJC can invite Japanese experts even in the future, a flexible arrangement, system and understanding are required of KJC to utilize Japanese experts who will dispatch to other Japan Centers in the Central Asia region such as Uzbekistan and Kyrgyz Republic Japan Center.

3) In order to support the overseas expansion of Japanese SMEs, there are movements to utilize and cooperate with the "Japan Center" in Asia and Central Asia. In order to further accelerate the movements in Kazakhstan, there is a strong demand to staff a JICA long-term expert for "SME Business Promotion" in charge since farewell of predecessor in February 2018.

#### 9.1 Cooperation with Narxoz University

As an activity to affirm KJC's raison d'etre in Narxoz University (the C/P in this case), as well as differentiate the course from other university MBAs, as mentioned above a 'KAIZEN module' was incorporated as a subject in Narxoz University's MBA Course. Completing this course grants students three credits toward a Narxoz University MBA (meaning it counts as a graduation credit).

The fact that no participants who attended in spring and fall semesters in 2017 were MBA students demonstrates the strong economic benefits of KJC. Still, in terms of collaboration with Narxoz University, it is desirable for most of the students to be MBA students.

As far as recruiting participants for new semesters is concerned, a future challenge will be how to execute promotional activities promptly after discussing with Narxoz University how they can best be implemented in the KAIZEN Mini MBA Course.

Under the new management system by the new rector of Narxoz University, the KJC's Business Course division has undergone significant downsizing (from nine persons to two). KJC is facing serious environmental change.

Over the past few years, KJC has been managing "Production Quality Management" and practical KAIZEN business courses as their main business course activities.

We could formulate an independent and unique business plan that optimally exploits KJC's strengths, with awareness of the new business environment and consideration of countermeasures policies as well as experience and know-how accumulated by KJC to date. We also confirmed that

KJC will help develop human resources and promote SMEs in Kazakhstan by implementing the plan.

We do believe that KJC's business plan can be realized by KJC property, such as experience and know-how to date, but the current system (with two people) is focused on sustainable management. To achieve sustainable and stable management, the understanding and support of Narxoz University are a must.

It is important to strive wholeheartedly in accordance with the implementation guidelines for the new business plan (attached "guidance to carry out KJC 2019 Business Plan en") and encourage dialog with regular (monthly) reports to the Vice-Rector of Narxoz University who oversees KJC matters.

#### 9.2 Strengthening the structure of the KJC and implementing business courses

# 9.2.1 Business Promotion System for KJC Courses

The KJC Business Course currently has just two members who promote Business Course activities, which is hardly considered sufficient for this task.

KJC must be encouraged to strengthen its involvement in promoting Business Courses. To do so, the consultant will redouble efforts to share information on the Japanese expert activity plan more closely and report on Consulting Project progress and seminar implementation, etc.

As described in Sections 4.6 and 6.5 'Efforts to Improve Profitability', business course activities have boosted KJC's overall financial situation very considerably. Having an accurate understanding of Narxoz University, the C/P, is vital for consolidating the Business Course (i.e. increasing the number of personnel) and it is believed that continuing to support KJC to maintain profitability will help strengthen the organization still further.

#### 9.2.2 Efforts to Improve Profitability

A 'Consulting Project' pilot program was launched in 2015, aiming to (i) provide services to meet local needs and (ii) strengthen the financial base. To achieve this, it was decided to help plan a project with local consultants who are expert on local conditions while also collecting 330,000 KZT (approx. 150,000 JPY) from participating companies.

However, local consultants were not remunerated due to the inclusion of OJT elements and some expressed dissatisfaction with this arrangement. From KJC's perspective, the considerable time and effort required to provide support for short-term experts and coordinate with participating companies made it financially difficult to set a price.

To ensure the sustainability of the project, it was decided that local consultants should be reasonably remunerated. Accordingly, the consulting fee was reviewed and set at three million KZT (approx. 1 million JPY), whereupon implementation began in April 2016.

Consequently, seven participating companies were attracted in 2016, rising to nine in 2017, which has contributed significantly to increasing revenue for the KJC Business Course Department (revenues of which are forecast to increase by about 90% by FY2017 from FY2015).

### 9.2.3 Developing High Quality Local Consultants

Although KJC has also committed efforts to developing local consultants in the KAIZEN field, the development levels and number of people trained remains far from sufficient.

Most of the consultants in the Production Quality Management field who are active in Kazakhstan specialize in technical fields. There tends to be a lack of experience in fields such as overall business management in administration and finance etc., sales, marketing, as well as processing, production, sales and inventory analysis from a product distribution perspective.

Although OJT-centric training is provided through activities of the Consulting Project, given this background, it was decided to further promote the development of local consultants by setting aside time for workshops during the Japanese experts' dispatch period and creating opportunities to systematically learn knowledge in all production and quality control areas.

#### 9.3 Strengthen cooperation with other institutions

(a) Diffusion of knowledge, information and know-how on production, quality control and productivity improvement of Kazakhstan SMEs. Promotion and guidance of business courses through collaboration between KIDI and KJC are required.

(b) Collaboration between the Ministry of the National Economy, DAMU, ATAMEKEN, etc. and

KJC in order for KJC to strengthen its function as an exchange base with Japanese business industry in countries and promote exchange with local and Japanese companies (B2B).

(c) We see the need to strengthen cooperation with partners in Japan (ROTOBO, JCCI, JETRO etc.).

# ANNEX1-1

-Mini MBA Course -Special Seminar (Former E Course) -Customized Course (C Course) Results

	Ger	nder	Job title				Industry		
Course	Fem ale	Male	Owner CEO	Director Manager	Employee	Other	Manufac turing Industry	Service	Trade
Daytime	14	10	17	5	1	1	3	17	4
Evening	18	13	7	16	8	0	2	21	8
Total	32	23	24	21	9	1	5	38	12
(%)	58.2 %	41.8 %	43.6%	38.2%	16.4%	1.8%	9.1%	69.1%	21.8%

Table 3.2-1 R21 Overview of 55 Mini MBA Course Participants

 Table 3.2-2 R22
 Overview of 63 Mini MBA Course Participants

	Ger	nder	Job title				Industry		
Course	Fem ale	Male	Owner CEO	Director Manager	Employee	Other	Manufac turing Industry	Service	Trade
Daytime	21	12	24	2	5	2	3	24	6
Evening	12	18	11	11	4	4	4	18	8
Total	33	30	35	13	9	6	7	42	14
(%)	52.4 %	47.6 %	55.6%	20.6%	14.3%	9.5%	11.1%	66.7%	22.2%

Table 3.2-3 R23 Overview of 70 Mini MBA Course Participants

	Ger	nder	Job title				Industry		
Course	Fem ale	Male	Owner CEO	Director Manager	Employee	Other	Manufac turing Industry	Service	Trade
Daytime	20	12	15	10	5	2	2	20	10
Evening	16	22	15	16	6	1	13	19	6
Total	36	34	30	26	11	3	15	39	16
(%)	51.4 %	48.6 %	42.9%	37.1%	15.7%	4.3	21.4%	55.7%	22.9%

	Gender		Job title				Industry		
Course	Fem ale	Male	Owner CEO	Director Manager	Employee	Other	Manufac turing Industry	Service	Trade
mornin g	18	21	26	9	1	3	7	26	6
Total	18	21	26	9	1	3	7	26	6
(%)	46.2 %	53.8%	66.7%	23.1%	2.5%	7.7%	17.9%	66.7%	15.4%

Table 3.2-4 R24 Overview of 39 Mini MBA Course Participants

	Course	Instructor	Dates Held	Participant Evaluation (out of 5)				
1	Business Plan	Ilyaz Pakirov	4/21-22, 6/22	4.84				
0	Production & Quality	Tetsuo Fukuyama	A 10 A 7 10 A	4.50				
2	Management (PQM)	Vitaliy Barykin	4/24-5/04	4.60				
3	Marketing	Koji Uehigashi	5/10-13, 18-19	3.96				
3	(Internet Marketing)	Aibek Kurenkeev	5/15-17	4.36				
4	Human Resource	Takao Hayashi	<b>F</b> /22 20	3.46				
4	Management	Vitaliy Barykin	5/22-26	4.30				
~	Business Plan	usiness Plan Meerim Koichueva						
5	Consultation	Ilyaz Pakirov	6/29-7/3					
6	Business Law	Nargiza Abdraimova	6/1-6	4.84				
	Einen siel Management	Junji Ban	6/7-14	3.98				
7	Financial Management	Ilyaz Pakirov	6/7-14	4.67				
8	Accounting	Lyudmila Shulgina	6/15-20	4.36				
9	Taxation	Albina Fakirdinova	6/21-27	4.38				
10	Business Plan	Kanat Kolbaev	7/11 19					
10	Presentation	Shunei Umezawa	7/11-13	_				
	Average score for Japanese instructors							

Table 3 2-5	R21 Mi	ni MBA Co	ourse Results

Average score for local instructors

Total average

4.54

4.35

	Course	Instructor	Dates Held	Participant Evaluation (out of 5)			
1	Business Plan	Bolot Taalaibek	9/25-26、11/23	4.34			
2	Japanese-style Management	Tadao Yuasa	9/27	4.33			
9	Production & Quality	Tetsuo Fukuyama	0/99 10/07	4.46			
3	Management (PQM)	Vitaliy Barykin	9/28-10/07	4.58			
4	Marketing	Koji Uehigashi	10/09-16	4.26			
4	(Internet Marketing)	Aibek Kurenkeev	10/17 - 19	4.56			
5	Business Law	Nargiza Abdraimova	10/25 - 30	4.75			
6	Business Plan Individual Counseling	Meerim Koichueva Ilyaz Pakirov Bolot Taalaibek	10/20 - 24 11/24 - 27	_			
7	Accounting	Lyudmila Shulgina	10/31-11/8	4.27			
0		Junji Ban	11/09-14	3.84			
8	Financial Management	Ilyaz Pakirov	11/15 - 16	4.68			
9	Taxation	Albina Fakirdinova	11/17 - 22	4.52			
10	Human Resource Management	Takao Hayashi	11/28, 12/01, 12/04	3.67			
	wanagement	Vitaliy Barykin	11/29 - 30	4.79			
11	Business Plan Presentation	Kanat Kolbaev Takashi Mizuno/Shunei Umezawa	12/19-21	_			
	Average score for Japanese instructors						
	Average score for local instru	ictors		4.56			
	Total average			4.39			

# Table 3.2-6 R22 Mini MBA Course Results

	Course	Instructor	Dates Held	Participant Evaluation (out of 5)
1	Business Plan	Bolot Taalaibek	3/30-31、6/06	4.90
2	Japanese-style Management	Tadao Yuasa	4/02-03	4.71
	Production & Quality	Tetsuo Fukuyama	4/04 14	4.74
3	Management (PQM)	Vitaliy Barykin	4/04-14	4.79
4	Business Plan Consultation	Meerim Koichueva Ilyaz Pakirov Bolot Taalaibek	4/16-18 6/07-09	_
~	Marketing	Koji Uehigashi	4/19-26	4.71
5	(Internet Marketing)	Aibek Kurenkeev	4/27 - 5/02	4.65
6	Sales and Export	Nurlan Fakerdinov	5/03-04	4.22
7	Business Law	Nargiza Abdraimova	5/07-11	4.88
8	HRM	Vitaliy Barykin Zhypar Sattarova	5/14-18	4.62
9	Accounting	Lyudmila Shulgina	5/21-25	4.62
		Junji Ban	5/28-31	4.00
10	Financial Management	Chynara Alamanova	6/01-05	4.27
11	Taxation Management	Albina Fakirdinova	6/11-14	4.61
12	Final Presentation	Kanat Kolbaev Meerim Koichueva Takashi Mizuno / Shigeru Uno	6/26-28	_
	Average score for Japane		4.54	
	Average score for local in	structors		4.61
	Total average		4.59	

Table 3.2-7 R23 Mini MBA Course Results

				D
		_		Participant
	Course	Instructor	Dates Held	Evaluation
				(out of 5)
1	Japan, Economy &	Ulukman Mamytov	9/18	4.81
1	Business		5/10	4.01
2	Japanese-style	Tadao Yuasa	9/19-20	4.70
2	Management	Tadao Tuasa	9/19-20	4.70
3	Business Plan	Bolot Taalaibek	9/21-22、11/20	4.81
4	Business Planning	Tetsuo Fukuyama	9/24 - 25	4.79
5	Strategic Management	Tetsuo Fukuyama	9/26-27	4.72
	Marketing	Koji Uehigashi	9/28-10/05	4.38
6	(Internet Marketing)	Aibek Kurenkeev	10/08-10	4.28
7	Risk Management	Ulukman Mamytov	10/11-12	4.86
		Tetsuo Fukuyama	10/15 - 20	4.72
8	Production & Quality	Nazar		
	Management (PQM)	Turgangaziev	10/22 - 23	4.25
	Business Plan	Meerim Koichueva	10/24 - 25	
9	Consultation	Bolot Taalaibek	11/30 - 12/01	—
10	HRM	Zhypar Sattarova 10/26-1		4.82
		Nargiza	11/02-03	
11	Business Law	Abdraimova	12/07 - 08	5.00
12	Sales and Export	Nurlan Fakerdinov	11/12-13	4.35
13	Accounting	Lyudmila Shulgina	11/14-17	4.72
		Juniji Ban	11/21-26	4.79
14	Financial Management	Chynara		
	Ŭ	Alamanova	11/27 - 29	4.25
15	Taxation Management	Albina Fakirdinova	12/03-06	4.94
		Kanat Kolbaev		
		Meerim Koichueva		
16	Final Presentation	Takashi Mizuno /	12/18-19	—
		Shunei Umezawa		
				1.00
	Average score for Japane			4.63
	Average score for local in	structors		4.65
	Total average			4.64

Table 3.2-8 R24 Mini MBA Course Results

Theme	Instructor	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriter s	Text Translation	Lecture Time	Overall Rating
PQM	Fukuyama	4.46	4.46	4.17	3.81	4.31	4.56	4.15		4.50
Marketing	Uehigashi	3.96	3.87	4.07	3.62	3.96	4.69	4.11	4.04	3.96
HRM	Hayashi	3.49	3.59	3.12	3.05	3.46	4.44	3.73		3.46
F. Management	Ban	3.95	3.95	3.98	3.74	3.93	4.45	3.98	3.81	3.98
Total Japanese In	structors	15.86	15.87	15.34	14.22	15.66	18.14	15.97	7.85	15.90
Averages score Japanese instru		3.97	3.97	3.84	3.56	3.92	4.54	3.99	3.93	3.98
B. Plan	Ilyaz	4.74	4.68	4.81	4.65	4.65			4.61	4.84
PQM	Vitaliy	4.54	4.44	4.75	4.17	4.40				4.60
Marketing	Aibek	4.41	4.43	4.39	3.95	4.30			3.64	4.36
B Law	Nargiza	4.91	4.86	4.93	4.67	4.63			4.42	4.84
HRM	Vitaliy	4.37	4.33	4.60	4.21	4.28			3.95	4.30
F. Management	Ilyaz	4.71	4.69	4.74	4.40	4.40			3.98	4.67
Accounting	Lyudmila	4.55	4.54	4.48	4.21	4.40			3.93	4.36
Taxation	Albina	4.48	4.44	4.09	3.95	4.29			4.02	4.38
Total local Instruc	tors	36.71	36.41	36.79	34.21	35.35			28.55	36.35
Average score for local instructors		4.59	4.55	4.60	4.28	4.42			4.08	4.54
Total average	9	4.38	4.36	4.34	4.04	4.25	4.54	3.99	4.04	4.35

Table 3.2-9 R21 Mini MBA Course Participant Questionnaire Summary

Table 3.2-10 R22 Mini MBA Course Participant Questionnaire Summary

Theme	Instructor	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translation	Lecture Time	Overall Rating
T. Management	Yuasa	4.35	4.37	4.53	3.88	4.10	4.69	4.29	3.59	4.33
PQM	Fukuyama	4.50	4.38	4.33	4.00	4.38	4.58	4.17	4.04	4.46
Marketing	Uehigashi	4.26	4.30	4.22	4.06	4.04	4.56	4.13	3.94	4.26
F. Management	Ban	4.09	4.09	3.88	3.61	3.73	4.36	3.34	3.77	3.84
HRM	Hayashi	3.71	3.83	3.48	3.36	3.64	4.31	3.83	3.83	3.67
Total Japanese In	structors	20.91	20.97	20.44	18.91	19.89	22.50	19.76	19.17	20.56
Averages score Japanese instru		4.18	4.19	4.09	3.78	3.98	4.50	3.95	3.83	4.11
B. Plan	Bolot	4.34	4.32	4.47	4.26	4.29			4.26	4.34
PQM	Vitaliy	4.60	4.60	4.73	4.18	4.40			4.22	4.58
Marketing	Aibek	4.63	4.70	4.54	4.22	4.33			3.44	4.56
B. Law	Nargiza	4.73	4.73	4.82	4.37	4.51			4.41	4.75
Accounting	Lyudmila	4.43	4.33	4.33	4.14	4.18			3.79	4.27
F. Management	Ilyaz	4.84	4.82	4.74	4.58	4.50			3.39	4.68
Taxation	Albina	4.64	4.57	4.55	4.36	4.52			4.23	4.52
HRM	Vitaliy	4.79	4.74	4.95	4.74	4.68			4.58	4.79
Total local Instruc	ctors	37.00	36.81	37.13	34.85	35.41			32.32	36.49
Average score f instructors	or local	4.63	4.60	4.64	4.36	4.43			4.04	4.56
Total average	9	4.45	4.44	4.43	4.14	4.25	4.50	3.95	3.96	4.39
Average R21	/R22	4.42	4.40	4.39	4.09	4.25	4.52	3.97	4.00	4.37

Theme	Instructor	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translation	Lecture Time	Overall Rating
J. Management	Yuasa	4.55	4.68	4.73	4.65	4.73	4.73	4.82	4.76	4.71
PQM	Fukuyama	4.64	4.74	4.63	4.67	4.85	4.66	4.89	4.80	4.74
Marketing	Uehigashi	4.53	4.80	4.59	4.64	4.79	4.69	4.87	4.78	4.71
F. Management	Ban	3.77	3.75	3.49	3.67	4.52	4.00	4.44	4.32	4.00
Total Japanese Ir	structors	17.49	17.97	17.44	17.63	18.89	18.08	19.02	18.66	18.15
Averages score Japanese instru		4.37	4.49	4.36	4.41	4.72	4.52	4.76	9.33	4.54
B. Plan	Bolot	4.90	4.87	4.90	4.89			4.90	4.90	4.90
PQM	Vitaliy	4.72	4.87	4.61	4.73			4.85	4.85	4.79
Marketing	Aibek	4.61	4.58	4.61	4.60			4.70	4.70	4.65
Sales	Nurlan	3.86	3.81	4.17	3.95			4.50	4.50	4.22
B Law	Nargiza	4.84	4.86	4.80	4.83			4.92	4.92	4.88
HRM	Vitaliy	4.56	4.56	4.61	4.58			4.67	4.67	4.62
HRM	Jypar	4.44	4.56	4.59	4.53			4.62	4.62	4.58
Accounting	Lyudmila	4.67	4.47	4.63	4.59			4.65	4.65	4.62
F. Management	Chynara	4.22	4.02	4.21	4.15			4.39	4.39	4.27
Taxation	Albina	4.66	4.49	4.61	4.59			4.64	4.64	4.61
Total local Instru	ctors	45.48	45.09	45.74	45.44			46.84	46.84	46.14
Average score f instructors	for local	4.55	4.51	4.57	4.54			4.68	4.68	4.61
Total averag	e	4.50	4.50	4.51	4.51	4.72	4.52	4.70	4.68	4.59

Table 3.2-11 R23 Mini MBA Course Participant Questionnaire Summary

 Table 3.2-12
 R24 Mini MBA Course Participant Questionnaire Summary

Theme	Instructor	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translation	Lecture Time	Overall Rating
J. Management	Yuasa	4.74	4.71	4.60	4.68	4.91	4.40	4.86	4.72	4.70
B. Planning	Fukuyama	4.74	4.92	4.62	4.08	4.81	4.40	4.88	4.72	4.70
Strategic Mngmt	Fukuvama	4.59	4.52	4.65	4.61	4.81	4.03	4.88	4.13	4.72
Marketing	Uehigashi	4.39	4.42	4.05	4.43	3.78	4.43	4.52	4.33	4.72
PQM	Fukuyama	4.23	4.42	4.33	4.43	4.50	4.43	4.78	4.33	4.38
F. Management	Ban	4.27	4.47	4.27	4.34	4.95	4.20	4.84	4.42	4.38
Total Japanese In:		27.45		27.42	27.56		27.28	28.85	27.96	27.76
Total Japanese Ins	structors	27.40	27.81	21.42	27.00	27.76	21.20	28.89	27.96	21.10
Averages score : Japanese instruc		4.58	4.64	4.57	4.59	4.63	4.55	4.81	4.66	4.63
Japan, Economy and Business	Ulukman	4.38	4.91	4.88	4.72			4.90	4.90	4.81
B. Plan	Bolot	4.68	4.79	4.74	4.74			4.89	4.89	4.81
Marketing	Aibek	4.63	4.59	4.16	4.46			4.10	4.10	4.28
Risk Mngmt	Ulukman	4.74	4.87	4.83	4.81			4.91	4.91	4.86
PQM	Nazar	4.14	4.07	4.07	4.09			4.41	4.41	4.25
HRM	Zhypara	4.79	4.79	4.79	4.79			4.84	4.84	4.82
Business Law	Nargiza	5.00	5.00	5.00	5.00			5.00	5.00	5.00
Sales & Export	Nurlan	4.25	4.15	4.20	4.20			4.50	4.50	4.35
Accounting	Lyudmila	4.74	4.65	4.61	4.67			4.78	4.78	4.72
F. Management	Chynara	4.30	4.15	4.30	4.25			4.25	4.25	4.25
Taxation	Albina	4.88	4.82	4.94	4.88			5.00	5.00	4.94
Total local Instruc	tors	50.53	50.79	50.52	50.61			51.58	51.58	51.10
Average score for local instructors		4.59	4.62	4.59	4.60			4.69	4.69	4.65
Total average	)	4.59	4.62	4.58	4.60	4.63	4.55	4.73	4.68	4.64
Average R23	/24	4.54	4.56	4.55	4.55	4.67	4.53	4.72	4.68	4.62

Round		Contents	Explanations	Text	Interpriters	Text Translation s	Course Manageme nt	Overall Rating
	Average(Japanese Instructors)	3.97	3.84	3.92	4.54	3.99		3.98
R21	Average(Local Instructors)	4.59	4.60	4.42				4.54
	Total Average	4.38	4.34	4.25	4.54	3.99		4.35
	Average(Japanese Instructors)	4.18	4.09	3.98	4.50	3.95		4.11
R22	Average(Local Instructors)	4.63	4.64	4.43				4.56
	Total Average	4.45	4.43	4.25	4.50	3.95		4.39
	Average(Japanese Instructors)	4.37	4.49	4.36	4.72	4.52	4.76	4.54
R23	Average(Local Instructors)	4.55	4.51	4.57			4.68	4.61
	Total Average	4.50	4.50	4.51	4.72	4.52	4.70	4.59
	Average(Japanese Instructors)	4.58	4.64	4.57	4.63	4.55	4.81	4.63
R24	Average(Local Instructors)	4.59	4.62	4.59			4.69	4.65
	Total Average	4.59	4.62	4.58	4.63	4.55	4.73	4.64
T . + .  / A	Average(Japanese Instructors)	4.28	4.27	4.21	4.60	4.25	4.79	4.32
Total(Av	Average(Local Instructors)	4.59	4.59	4.50	0	0	4.69	4.59
erage)	Total Average	4.48	4.47	4.40	4.60	4.25	4.72	4.49

Table 3.2-13 R21 $\sim$ R24 Mini MBA Course Evaluation Comparison

Table 3.3-1 R21 Special Seminar Results

Course	T	Dates	Number of	Number of	Participant	
Course	Instructor	Held	Days Held	Participants	Evaluation	
Production & Quality	Tetsuo	5/10 - 12	9 dava	9	2 20	
Management (PQM)	Fukuyama	5/10-12	3 days	9	3.89	
Monkoting	Koji	5/23 - 25	2 dowo	5	4.17	
Marketing	Uehigashi	0/20-20	3 days	Ð	4.17	
Human Resource	Takao	5/31-6/2	2 dowa	11	4.45	
Management	Hayashi	5/51 0/2	3 days	11		
Financial	Junji Ban	6/20 - 22	3 days	4	4.00	
Management	Juliji Dali	0/20-22	5 days	4	4.00	
HACCP (Hazard	Mamoru					
Analysis and Critical		6/28 - 7/4	5 days	21	4.50	
Control Point)	Hatano					
5 Course Total (average)				50	(4.20)	
5 Course rotal (average)				(10.0)	(4.20)	

Course	Instructor	Dates Held	Number of Days Held	Number of Participants	Participant Evaluation
HACCP (Hazard	Mamoru Hatano			Î	4.47
Analysis and Critical Control Point)	Darya	10/02-06	5 days	19	4.54
Strategic PQM	Tetsuo Fukuyama	10/17-21	5 dava	38	4.28
Strategic PQM	Vitaliy	10/17-21	5 days	30	4.31
Financial Management	Junji Ban	11/20 - 22	3 days	9	3.57
KPI Management	Takao Hayashi	12/13-15	3 days	50	3.79
Japanese-style	Tadao	0/20	1 dorr	72	4.07
Management	Yuasa	9/30	1day	12	4.67
Project Finance	Junji Ban	11/17 - 18	2days	38	3.88
6 Course Total (average)				226 (37.7)	(4.19)

Table 3.3-2 R22 Special Seminar Results

Table 3.3-3 R23 Special Seminar Results

Course	Instructor	Dates Held	Number of	Number of	Participant	
Course	Instructor	Dates Held	Days Held	Participants	Evaluation	
Japanese-style	Tadao	3/27 - 29	2 darra	30	4.44	
Management	Yuasa	3/21-29	3 days	50	4.44	
Buka-Sido	Tadao	4/04 - 06	9 dava	27	4.41	
Duka-Sido	Yuasa	4/04-00	3 days	21	4.41	
Customer Service	Koji	4/18	1 dou	60	4.50	
Customer Service	Uehigashi	4/18	1day	60	4.00	
Heart of	Koji	4/21	1day	36	4.67	
Management	Uehigashi	4/21	Tuay	30	1.07	
Strategic	Tetsuo	4/24 - 28	6day	10	4.78	
Management	Fukuyama	4/24 20	buay	10	4.70	
Omotenashi	Koji	4/27	1day	8	4.83	
Omotenasm	Uehigashi	4/2/	Tuay	0	4.00	
	Tetsuo				4.63	
Strategic PQM	Fukuyama	5/02 - 05	4 days	6	4.03	
	Vitaliy				4.77	
CAD Analyzia	Koji	5/09 04	2 darra	10	4.33	
GAP Analysis	Uehigashi	5/02-04	3 days	12		

НАССР	Mamoru Hatano	5/28-6/04	6 days	9	4.94
	Darya				4.65
Food Safety Mngmt	Mamoru	6/04 - 06	9	10	4.45
for Food Service	Hatano	6/04-06	3 days	10	4.45
Challenges in					
Banking Industry in	Juniji Ban	6/07 - 08	2 days	28	4.23
Japan					
Basic HACCP	Mamoru	6/11-14	1 dama	6	4.83
Dasic HAUUF	Hatano	0/11 14	4 days	0	4.00
12 Course total (Avera				232	(4.60)
12 Course total (Avera	age/			(19.3)	(4.00)

Course	Instructors	Dates Held	Number of	Number of	Participant
Course	Instructors	Dates neta	Days Held	Participants	Evaluation
Visual Merchandising	Koji Uehigashi	9/12-14	3 days	9	4.67
ISO 22000: 2018	Darya	9/13-14	2 days	8	4.50
Japanese-style Management	Tadao Yuasa	9/21-24	3days	5	4.67
Buka Shido	Tadao Yuasa	9/25-27	3 days	20	4.61
Visual Merchandising	Koji Uehigashi	9/25-27	3 days	8	4.23
GAP Analysis	Koji Uehigashi	10/09-11	3 days	12	4.33
Strategic PQM	Tetsuo Fukuyama	10/11-13	3 days	6	4.63
Strategic Management	Tetsuo Fukuyama	10/15-24	10 days	15	4.72
Business Planning	Tetsuo Fukuyama	10/29— 11/03	3 days	12	4.33
Challenges in Banking Industry in Japan	Jinji Ban	11/15-16	2 days	13	4.09
Food Safety Mngmt for Cook and Manager	Mamoru Hatano	12/10-12	3 days	20	4.76
Total of 11 Courses (A		140 (12.7)	(4.54)		

Table 3.3-4 R24 Special Seminar Results

			-			-				•	
Theme	Instructor	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translatio n	Lecture Time	Overall Rating
PQM	Fukuyama	9	4.11	4.33	3.89	3.67	4.00	4.00	4.33		3.89
Marketing	Uehigashi	5	4.17	4.17	4.33	3.50	4.00	5.00	4.17		4.17
HRM	Hayashi	11	4.18	4.27	4.36	3.64	4.27	4.64	4.09	3.73	4.45
F. Management	Ban	4	4.00	4.00	4.00	3.75	4.00	5.00	4.00	3.25	4.00
HACCP	Hatano	21	4.50	4.42	4.25	3.58	4.50	4.25	4.25	4.08	4.50
Total		50	20.96	21.19	20.83	18.14	20.77	22.89	20.84	11.06	21.01
Average	Average 10.00			4.24	4.17	3.63	4.15	4.58	4.17	3.69	4.20

Table 3.3-5 R21 Special Seminar Particpant Questionnaire Summary

Table 3.3-6 R22 Special Seminar Participant Questionnaire Summary

Theme	Instructor	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translatio n	Lecture Time	Overall Rating
HACCP	Hatano	19	4.35	4.35	4.47	4.24	4.82	4.59	4.53	4.12	4.47
PQM	Fukuyama	38	4.38	4.41	4.28	3.66	4.16	4.75	4.25	4.03	4.28
F. Management	Ban	9	3.43	4.14	4.00	3.43	3.43	4.14	2.71	2.86	3.57
HRM	Hayashi	50	3.92	4.46	3.75	3.42	3.46	4.54	3.58	3.88	3.79
Japanese-style Management	Yuasa	72	4.58	4.67	4.83	4.21	4.38	4.38		3.96	4.67
Project Finance	Ban	38	3.79	3.85	4.18	3.73	3.82	4.73	4.06	3.42	3.88
Total Japanese Inst	ructor	226	24.45	25.88	25.51	22.69	24.07	27.13	19.13	22.27	24.66
Average ( Japa	nese Instru	37.7	4.08	4.31	4.25	3.78	4.01	4.52	3.83	3.71	4.11
HACCP	Darya		4.46	4.46	4.62	4.31	4.38			4.23	4.54
PQM	Vitaliy		4.31	4.35	4.58	3.96	4.27			4.15	4.31
Total Local Instruct	tors		8.77	8.81	9.20	8.27	8.65			8.38	8.85
Average(Local	Instructors		4.39	4.41	4.60	4.14	4.33			4.19	4.43
Total Average		37.7	4.15	4.34	4.34	3.87	4.09	4.52	3.83	3.83	4.19
Average R21/	R22	23.8	4.17	4.29	4.25	3.75	4.12	4.55	4.00	3.76	4.20

Table3.3-7 R23 Special Seminar Participant Questionnaire Summary

Theme	Instructor	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translatio n	Lecture Time	Overall Rating
J. Management	Yuasa	4.23	4.59	4.36	4.39	4.36	4.41	4.68	4.48	4.44	30
Bukashido	Yuasa	4.60	4.55	4.15	4.43	4.60	4.05	4.50	4.38	4.41	27
Cust. Service	Uehigashi	4.07	4.40	4.43	4.30	4.89	4.64	4.57	4.70	4.50	60
K. Matsushita	Uehigashi	4.40	4.59	4.63	4.54	4.97	4.76	4.67	4.80	4.67	36
S. Management	Fukuyama	4.89	4.78	4.78	4.82	5.00	4.44	4.78	4.74	4.78	10
Omotenashi	Uehigashi	5.00	5.00	4.50	4.83	4.75	4.75	5.00	4.83	4.83	8
PQM	Fukuyama	4.20	4.80	4.60	4.53	5.00	4.60	4.60	4.73	4.63	6
Gap Analysis	Uehigashi	3.92	4.42	3.83	4.06	4.92	4.42	4.45	4.60	4.33	12
HACCP	Hatano	4.88	4.88	5.00	4.92	5.00	4.88	5.00	4.96	4.94	9
HACCP for Food	Hatano	3.33	4.33	4.67	4.11	4.67	4.67	5.00	4.78	4.45	10 (3 replied)
Basic HACCP	Hatano	5.00	5.00	4.80	4.93	5.00	4.80	4.40	4.73	4.83	6
Ch. in Banking	Ban	3.76	4.40	3.68	3.95	4.71	4.39	4.46	4.52	4.23	28
Total Japanese Instr	uctor	52.28	55.74	53.43	53.82	57.87	54.81	56.11	56.26	55.04	232
Average ( Japanes	e Instructors	4.36	4.65	4.45	4.48	4.82	4.57	4.68	4.69	4.59	19.3
PQM	Vitaliy	4.20	4.80	4.60	4.53			5.00	5.00	4.77	
HACCP	Darya	4.88	4.88	4.63	4.80			4.50	4.50	4.65	
Total Local Instruct	ors	9.08	9.68	9.23	9.33			9.50	9.50	9.42	
Average(Local )	Instructors	4.54	4.84	4.62	4.67			4.75	4.75	4.71	
Total Average		4.38	4.67	4.48	4.51	4.82	4.57	4.69	4.70	4.60	

Theme	Instructor	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbooks	Interpriters	Text Translatio n	Lecture Time	Overall Rating
Visual Merchandising 1	Uehigashi	4.25	4.63	4.38	4.42	5.00	4.75	5.00	4.92	4.67	9
J. Management	Yuasa	4.40	5.00	4.80	4.73	4.80	4.40	4.60	4.60	4.67	5
Visual Merchandising 2	Uehigashi	3.50	4.25	3.88	3.88	5.00	4.13	4.63	4.59	4.23	8
Bukashido	Yuasa	4.35	4.65	4.59	4.53	4.94	4.53	4.59	4.69	4.61	20
Gap Analysis	Uehigashi	3.67	4.50	4.17	4.11	5.00	4.67	4.50	4.72	4.42	6
PQM	Fukuyama	4.38	4.50	4.58	4.49	4.92	4.46	4.50	4.63	4.56	25
S. Management	Fukuyama	4.60	4.80	4.60	4.67	4.87	4.73	4.73	4.78	4.72	15
Business Planning	Fukuyama	4.83	4.83	4.33	4.66	4.83	4.33	4.83	4.66	4.66	11
Ch. in Banking	Ban	3.69	4.08	3.92	3.90	4.62	4.23	4.00	4.28	4.09	13
Food Safety	Hatano	4.47	4.83	4.78	4.69	4.89	4.94	4.67	4.83	4.76	20
Total Japanese Instr	uctor	42.14	46.07	44.03	44.08	48.87	45.17	46.05	46.70	45.39	132
Average (Japanes	e Instructors	4.21	4.61	4.40	4.41	4.89	4.52	4.61	4.67	4.54	<i>13.2</i>
ISO 22000:2018	Darya	4.50	4.38	4.25	4.38			4.63	4.63	4.50	8
					0.00				0.00	0.00	
Total Local Instruct	Total Local Instructors		4.38	4.25	4.38			4.63	4.63	4.50	8
Average(Local L	Average(Local Instructors		4.38	4.25	4.38			4.63	4.63	4.50	8
Total Average		4.24	4.59	4.39	4.41	4.89	4.52	4.61	4.67	4.54	12.7

Table3.3-8 R24 Special Seminar Participant Questionnaire Summary

Table 3.3-9 R21 $\sim$ R24 Special Seminar Evaluation Comparison

Round		Contents	Explanations	Text	Interpriters	Text Translation s	Course Manageme nt	Overall Rating
	Average(Japanese Instructors)	4.19	4.17	4.15	4.58	4.17		4.20
D01	Average(Local Instructors)							
R21	Total Average	4.19	4.17	4.15	4.58	4.17		4.20
	[Number.of Co	urse : 5 🗡 I	Number of Stud	ents :50 🖌	Average(Num	nber of Studen	ts) 10.0】	
	Average(Japanese Instructors)	4.08	4.25	4.01	4.52	3.83		4.11
R22	Average(Local Instructors)	4.39	4.60	4.33				4.43
RZZ	Total Average	4.15	4.34	4.09	4.52	3.83		4.19
	[Number of Cou	urse:6 🖊 N	umber of Stude	ents: 226 🖊	Average(Nun	nber of Studer	nts: 37.7】	
	Average(Japanese Instructors)	4.36	4.65	4.45	4.82	4.57	4.68	4.59
R23	Average(Local Instructors)	4.54	4.84	4.62			4.75	4.71
RZJ	Total Average	4.38	4.67	4.48	4.82	4.57	4.69	4.60
	[Number of Cou	irse: 12 🖊	Number of Stud	lents: 232 🗸	Average(nu	mber of Stude	nts: 19.3】	
	Average(Japanese Instructors)	4.21	4.61	4.40	4.89	4.52	4.61	4.54
R24	Average(Local Instructors)	4.50	4.38	4.25			4.63	4.50
NZ4	Total Average	4.24	4.59	4.39	4.89	4.52	4.61	4.54
	[Number of Cour	se:11 🖊 N	umber of Stude	ents : 132 🗸	Average(nui	mber of Stude	nts ): 12.7】	
	Average(Japanese Instructors)	4.21	4.42	4.25	4.70	4.27	4.65	4.36
Total	Average(Local Instructors)	4.48	4.61	4.40			4.69	4.55
Average	Total Average	4.24	4.44	4.28	4.70	4.27	4.65	4.38
	[Number of Course:	34 🖊 Nu	mber of Stud	ents : 640	/ Average(	Number of S	Students): 18.	8]

Commente	These	T.,	Dates	Number of	Participant
Company	Theme	Instructor	Held	Participants	Evaluation
Bank of Asia	Kaizen and	Tetsuo	5/19	49	4.90
Dank of Asia	Lean Banking Fukuyama 5/13		0/10	42	4.20
	Business				
Duringt	Planning	Ilyaz Pakirov	7/06 - 07	10	4.57
Project					
Forestry	Mankating	Aibek	7/06-07	10	4 57
	Marketing	Kurenkeev	1106-07	10	4.57
Total				(20.7)	(4.45)
(Average)				62 (20.7)	(4.45)

Table 3.4-1 R21 Customized Course Results

Table 3.4-2 R22 Customized Course Results

Company / Organization	Theme	Instructor	Dates Held	Number of Participants	Participant Evaluation
JICA Office	Japanese-style Managemant	Tadao Yuasa	9/26, 28	35	4.67
Forestry Project	Business Plan	Ilyaz Pakirov	10/03-04, 11/21	5	
Naima School	Kaizen	Tetsuo Fukuyama	10/21	20	_
Farmatsia	Kaizen	Tetsuo Fukuyama	10/25, 11/02	15	4.55
CenterforStandardizationand Metrology	Kaizen	Tetsuo Fukuyama	10/26	21	4.40
Child's World	Marketing	Koji Uehigashi	10/26-27	29	4.23
Bank of Asia	Kaizen	Tetsuo Fukuyama	10/29, 11/04	26	4.31
De Ure Consult	Kaizen	Tetsuo Fukuyama	11/01	8	4.25
SAIEP	Package Design	Koji Uehigashi	11/08	80	4.00

OVOP Project	PSI	Koji Uehigashi	11/09-10	14	4.77
Total (Average)				248 (27.6)	(4.40)

Company / Participant Number of Theme Instructor Dates Held Organization Participants Evaluation JICA Office Time Mngmt and Yuasa 4/04124.41(by English) Ho-Ren-So Tadao Tetsuo Kyrgyz Concept Kaizen 4/19364.62Fukuyama Tetsuo 4/20,4.40 Natural Agro Kaizen 15Fukuyama 24-25, 27 Tetsuo Bank of Asia Process Mngmt 4/19, 5/03 10 4.56Fukuyama Lyudmila 4/04-05  $\mathbf{2}$ 5.00Accounting  $\mathbf{2}$ Sales Promotion Aibek 5/18-194.92Forestry Project 20Legal Consul 5/244.78Nargiza Taxation Albina 4.85 5/2420Total (Average) 117 (14.6) (4.89)

Table 3.4-3 R23 Customized Course Results

Table 3.4-4 R24 Custmized Course Results

Commony	Theme	Instructor	Dates Held	Number of	Participant
Company	Theme	Instructor	Dates Held	Participants	Evaluation
Yar Marka	Visual	Koji	10/05-06	10	4.82
far Marka	Merchandising	Uehigashi	10/05-06	10	4.82
Bank of Asia	Strategic	Tetsuo	10/24-25	12	4.00
Dank of Asia	Management	Fukuyama	11/03	12	4.60
Sunshine	Kaizen	Tetsuo	10/29,	23	4.81
Sunsnine	Kalzen	Fukuyama	11/03	20	4.01
Textile Trans	Kaizen	Nazar	11/27-28	38	4.76
Total				83 (20.8)	(4.75)
(Average)				əə (20.8 <i>)</i>	(4.70)

Company	Instructor	Number of Students	Contents	Topic	Explanatio n	Teaching Style	Text	Interpriter	Text Translatio n	Lecture Time	overall Evaluation
Bank of Asia	Fukuyama	42	4.09	4.11	4.31	3.80	4.17	4.57	4.20		4.20
с., р.; ,	Ilyaz	10	4.57	4.43	4.57	4.57	4.14				4.57
Forestry Project	Aibek	10	4.57	4.29	4.71	4.43	4.29				4.57
Total		62	13.23	12.83	13.59	12.8	12.6	4.57	4.20		13.34
Average		20.7	4.41	4.28	4.53	4.27	4.20	4.57	4.20		4.45

Table 3.4-5 R21 Customized Course Participant Questionnaire Summary

Table 3.4-6 R22 Customized Course Participant Questionnaire Summary

Company	Instructor	Number of Students	Contents	Topic	Explanatio n	Teaching Style	Text	Interpriter	Text Translatio n	Lecture Time	overall Evaluation
JICA office	Yuasa	35	4.58	4.67	4.83	4.21	4.38			3.96	4.67
Naima School	Fukuyama	20									
Farmatsia	Fukuyama	15	4.45	4.27	4.36	3.73	4.27	4.91	4.27	4.27	4.55
Center for Stand. and Metrology	Fukuyama	21	4.00	3.90	4.20	4.10	4.50	4.80	4.40	4.00	4.40
Child's World	Uehigashi	29	4.46	4.23	4.46	3.92	4.31	4.54	4.15	4.38	4.23
Bank of Asia	Fukuyama	26	4.38	4.62	4.00	3.77	4.31	4.85	4.54	3.77	4.31
De Ure Consult	Fukuyama	8	4.25	4.25	4.00	3.75	4.13	4.88	4.13	4.38	4.25
SAIEP	Uehigashi	80	4.04	4.17	4.48	3.74		4.35		4.09	4.00
OVOP	Uehigashi	14	4.69	4.69	4.77	4.54	4.62	4.62	4.69	4.38	4.77
Total		248	34.85	34.8	35.1	31.76	30.52	32.95	26.18	33.23	35.18
Average		27.6	4.36	4.35	4.39	3.97	4.36	4.71	4.36	4.15	4.40
Average R21/R22		28.2	4.37	4.33	4.43	4.05	4.31	4.69	4.34	4.15	4.41

Table 3.4-7 R23 Customized Course Participant Questionnaire Summary

Company	Instructor	Contets	Explanation	Text	Instructor Evaluation	Interpriter	Text Translatio n	Course Managem ent	BC Course Evaluation	overall Evaluation	Number of Students
JICA (English)	Yuasa	3.91	4.27	4.36	4.18			4.64	4.64	4.41	12
Kyrgyz Concept	Fukuyama	4.45	4.70	4.45	4.53	4.55	4.70	4.85	4.70	4.62	36
Natural Agro	Fukuyama	4.00	4.17	4.60	4.26	4.67	4.60	4.33	4.53	4.40	15
Bank of Asia	Fukuyama	4.33	4.44	4.11	4.29	5.00	4.78	4.67	4.82	4.56	10
					0.00				0.00	0.00	
Total Japanese Instructors		16.69	17.58	17.52	17.26	14.22	14.08	18.49	18.69	17.98	73
Average Japane	ese Instru	4.17	4.40	4.38	4.32	4.74	4.69	4.62	4.67	4.49	18
Forestry P.	Lyudmila	5.00	5.00	5.00	5.00			5.00	5.00	5.00	2
Forestry P.	Aibek	5.00	5.00	4.50	4.83			5.00	5.00	4.92	2
Forestry P.	Nargiza	5.00	4.82	4.83	4.88			4.67	4.67	4.78	20
Forestry P.	Albina	4.91	5.00	5.00	4.97			4.73	4.73	4.85	20
					0.00				0.00	0.00	
Total Local Instruct	ors	19.91	19.82	19.33	19.69			19.40	19.40	19.54	44
Average Local I	Instructor	4.98	4.96	4.83	4.92			4.85	4.85	4.89	11.0
Total Average		4.58	4.68	4.61	4.62	4.74	4.69	4.74	4.76	4.69	14.6
Company	Instructor	Contets	Explanation	Text	Instructor Evaluation	Interpriter	Text Translatio n	Course Managem ent	BC Course Evaluation	overall Evaluation	Number of Students
---------------------	----------------------------	---------	-------------	-------	--------------------------	-------------	-------------------------	--------------------------	----------------------------	-----------------------	--------------------------
Yar Marka	Uehigashi	4.44	4.78	4.78	4.67	5.00	4.89	5.00	4.96	4.82	10
Bank of Asia	Fukuyama	4.08	4.58	4.67	4.44	4.92	4.50	4.83	4.75	4.60	12
Sunshine	Fukuyama	4.14	4.86	4.86	4.62	5.00	5.00	5.00	5.00	4.81	23
Total Japanese Ins	Total Japanese Instructors		14.22	14.31	13.73	14.92	14.39	14.83	14.71	14.22	45
Average Japan	ese Instru	4.22	4.74	4.77	4.58	4.97	4.80	4.94	4.90	4.74	15.0
Textile Trans	Nazar	4.71	4.66	4.60	4.66			4.86	4.86	4.76	38
Total Local Instruc	tors	4.71	4.66	4.60	4.66			4.86	4.86	4.76	38
Average Local	Instructor	4.71	4.66	4.60	4.66			4.86	4.86	4.76	38.0
Total Average		4.34	4.72	4.73	4.60	4.97	4.80	4.92	4.89	4.75	20.8
Average R23/	R24	4.50	4.69	4.65	4.61	4.86	4.75	4.80	4.81	4.71	16.67

Table 3.4-8 R24 Customized Course Participant Questionnaire Summary

Table 3.4-9 R21 $\sim$ R24 Customized Course Evaluation Comparison

Round		Contents	Explanations	Text	Interpriters	Text Translation s	Course Manageme nt	Overall Rating				
	Average(Japanese Instructors)	4.41	4.53	4.20	4.57	4.20		4.45				
R21	Average(Local Instructors)											
1121	Total Average	4.41	4.53	4.20	4.57	4.20		4.45				
	[Number: 2 🖌 Number of Course: 3 🖌 Number of Students : 62 🖌 Average(Number of Students) 20.7]											
	Average(Japanese Instructors)	4.36	4.39	4.36	4.71	4.36		4.40				
R22	Average(Local Instructors)											
RZZ	Total Average	4.36	4.39	4.36	4.71	4.36		4.40				
	[Number: 9 / Number of Course: 9 / Number of Students: 248 / Average(Number of Students : 27.6]											
	Average(Japanese Instructors)	4.17	4.40	4.38	4.74	4.69	4.62	4.49				
R23	Average(Local Instructors)	4.98	4.96	4.83			4.85	4.89				
RZJ	Total Average	4.58	4.68	4.61	4.74	4.69	4.74	4.69				
	【Number: 5 🗡 Numbe	r of Course:	8 🗡 Number	of Students :	117 / Ave	rage(Number o	f Students: 1	4.6】				
	Average(Japanese Instructors)	4.22	4.74	4.77	4.97	4.80	4.94	4.74				
R24	Average(Local Instructors)	4.71	4.66	4.60			4.86	4.76				
RZ4	Total Average	4.34	4.72	4.73	4.97	4.80	4.92	4.75				
	【Number: 4 🖌 Numb	er of Course :	4 🖊 Number	r of Students	: 83 🗡 Ave	rage Number o	of Students 20	.8]				
	Average(Japanese Instructors)	4.29	4.52	4.43	4.75	4.51	4.78	4.52				
Total(Av	Average(Local Instructors)	4.85	4.81	4.72			4.86	4.83				
	Total Average	4.42	4.58	4.48	4.75	4.51	4.83	4.57				
_	Number: 20 🗡 Number of (	Course: 24	/ Number	of Students	: 510 / A	verage of Nu	umber of stu	dents: 21.3				

# ANNEX 1-2

-Consultation
-Individual Consultation
-Free Consultation
-Regional Seminar
-Open Seminar
-Training in Japan
Results

Number of Company/Organization Theme Dates Held Instructor Participants Tetsuo Kaizen Avia Kombitur 10/13, 26 13Fukuyama Koji 3 Mikasa Marketing 10/31Uehigashi KPI/ Goal Takao Frunze Hypermarket 12/2110Hayashi Setting

Table 3.5-1 R22 Consultations

	Dates Held	Company / Organization	Type of Business	Consultant
1	4/25	Bank of Asia	Bank	Tetsuo Fukuyama
9	4/00	E Dit	Forest Products	Tetsuo Fukuyama •
2	4/26	Forestry Project		Koji Uehigashi
3	4/28	NANO Clinic	Dentist	Tetsuo Fukuyama
4	5/04	Bank of Asia	Bank	Tetsuo Fukuyama
5	5/24	Detskii Mir	Shopping Mall	Koji Uehigashi
6	5/24	Bonus	Convenience	Koji Uehigashi
0	0/24	Donus	Store	
7	5/24	Nurs Mebel	Furniture maker	Koji Uehigashi
8	5/26	LLC "BAITUR"	SPA Center	Koji Uehigashi
9	5/26	British LC	Language	Koji Uehigashi
9	5/20	Dritish LC	Education	
10	6/23	Aiyl Bank	Bank	Junji Ban
11	7/03	Forestry Project	Forest Products	Ilyaz Pakirov • Aibek
11	1/03	Forestry I toject	Forest i roducts	Kurenkeev
12	7/04	Namba Taxi	Transportation	Junji Ban
13	7/05	The Manas	In-flight Catering	Mamoru Hatano
10	1/08	Management Co.	In mgnt Catering	Ivianioru Hatano
14	7/05	Oa Kyrgyz Organic	Organic Foods	Mamoru Hatano
15	7/05	Aiyl Bank	Bank	Junji Ban
16	7/06	Atalyk Group	beverrage	Mamoru Hatano

	Date	Company/ Organization	Type of Business	Consultant
1	10/10	Farmatsia	Pharmacy	Tetsuo Fukuyama
2	10/10	Micasa	Furniture Maker	Tetsuo Fukuyama
3	10/11	Avia Kombitur	Travel agency	Tetsuo Fukuyama
4	10/11	Bank of Asia	Bank	Tetsuo Fukuyama
5	10/12	Naima School	Education	Tetsuo Fukuyama
6	10/12	De Ure Consult	Law office	Tetsuo Fukuyama
7	10/17	OVOP	Agricultural Products	Koji Uehigashi
8	10/18	Micasa	Furniture Maker	Koji Uehigashi
9	10/20	Natural Agro	Provender Maker	Tetsuo Fukuyama
10	10/31	Guarantee Fund	Finance	Tetsuo Fukuyama
11	12/20	Kaynar Group	Restraints	Takao Hayashi

Table3.5-3 R22 Individual Consultations

Table3.5-4 R23 Free Consultations

No.	Company	Type of Business	Round	Contents	Instructor	Dates Held
1	MK Cabinet	Furniture Maker	R23	Quality Management	Fukuyama	4/25
2	Toybos	Food processing	R23	Production management	Fukuyama	4/26
3	Chinateks	Textiles	R23	Strategic Management	Fukuyama	4/28
4	Dobryak	manufacturing	R23	inferior goods management	Fukuyama	5/02
5	Sapashov IE	Education	R23	Strategic management	Fukuyama	5/02
6	Aitmatova IE	Hotel	R22	improvement to attract customers	Uehigashi	5/04
7	Art Majestas	manufacturing	R23	Business Plan(Finance)	Ban	5/07
8	MCC GNT Credit	Bank	R23	Microfinance	Ban	6/08

No.	Company	Type of Business	Round	Contents	Consultants	Dates Held
1	My House	Real Estate	R16	Time Management subordinates management	Yuasa	9/22
2	KICB	Bank	R20	subordinates management	Yuasa	9/24
3	Techno Center	Manufacturing	R20	Kaizen	Fukuyama	10/09
4	Sunshine	Education	R24	Kaizen	Fukuyama	10/17
5	LLC Coldo	Restaurants (Saltan Kebab)	R12	Financial Management Marketing	Ban Umezawa	11/30
6	Bi Travel	tourism	R15	Financial / Human Resource management	Ban	12/09

Table 3.5-5 R24 Free Consultation

Table3.6-1 R22 Regional Seminar

Region	Theme	Instructor	Dates Held	Number of Participants	Participant Evaluation (out of 5)
Osh	НАССР	Mamoru Hatano Darya Kodjegulova 9/19-21		8	4.50
	Business Plan	Ilyaz Pakirov	12/05-06	7	4.43
	Marketing	Aibek Kurenkeev	12/05-06	8	4.50
Karakol	PQM	Vitaliy Barykin	12/07-08	10	4.64
	HRM	Takao Hayashi	12/07-08	8	4.00
	Taxation	Albina Fakirdininova	12/09	5	4.60
Total (Averag	e)			46 (7.7)	(4.45)

Region	Theme	Instructor	Dates Held	Number of Participants	Participant Evaluation (out of 5)
Tamaa	Marketing	Aibek Kurenkeev2/24Vitaliy Barykin2/24		42	4.60
Taras	PQM			42	4.70
	Accounting	Lyudmila Shulgina	4/04-05	2	5.00
Karakol	Sales Promotion	Aibek Kurenkeev	5/18-19	2	4.92
Karakoi	Legal Consul	Nargiza Abdraimova	5/24	20	4.78
	Taxation	Albina Fakirdininova	5/24	20	4.85
Total (Average	2)			128 (21.3)	(4.81)

Table 3.6-2 R23 Regional Seminar

Table3.6-3 R22 Regional Seminar Participant Questionnaire Summary

Theme	Instruct or	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbook s	Interpriter s	Text Translatio n	Lecture Time	Overall Rating
[Osh]											
HACCP	Hatano Darya	8	4.63	4.25	4.25	3.63	4.13	4.57	4.29	4.00	4.50
[Karakol]											
B. Planning	Ilyaz	7	4.57	4.43	5.00	4.14	4.57			3.43	4.43
Marketing	Aibek	8	4.88	4.75	5.00	4.38	4.63			3.63	4.50
PQM	Vitaliy	10	4.64	4.55	4.82	4.36	4.64			3.73	4.64
HRM	Hayashi	8	4.33	4.33	4.17	3.83	4.33	4.33	4.33	4.00	4.00
Taxation	Albina	5	5.00	4.80	5.00	4.40	4.40			4.00	4.60
Karakol Total		38	23.42	22.86	23.99	21.11	22.57	4.33	4.33	18.79	22.17
Karakol average	1	7.6	4.68	4.57	4.80	4.22	4.51	4.33	4.33	3.76	4.43
R22 Total	<u> </u>	46	28.05	27.11	28.24	24.74	26.70	8.90	8.62	22.79	26.67
R22 Average		7.7	4.68	4.52	4.71	4.12	4.45	4.45	4.31	3.80	4.45

Theme	Instructor	Number of Students	Contents	Topics	Explanatio ns	Teaching style	Textbook s	Interpriter s	Text Translatio n	Lecture Time	Overall Rating
[Talas]											
Marketing	Aibek	42	4.43	4.55	4.81	4.60			4.61	4.61	4.60
PQM	Vitaliy	42	4.61	4.75	4.64	4.67			4.74	4.74	4.70
[Karakol / For	estry Pro	ject]									
Accounting	Lyudmila	2	5.00	5.00	5.00	5.00			5.00	5.00	5.00
Sales Promotion	Aibek	2	5.00	5.00	4.50	4.83			5.00	5.00	4.92
Legal Consul	Nargiza	20	5.00	4.82	4.83	4.88			4.67	4.67	4.78
Taxation	Albina	20	4.91	5.00	5.00	4.97			4.73	4.73	4.85
Total		128	28.95	29.12	28.78	28.95			28.75	28.75	28.85
Average		21.3	4.83	4.85	4.80	4.83			4.79	4.79	4.81

Table 3.6-4 R23 Regional Seminar Participant Questionnaire Summary

Table3.7-1 R21 Open Seminar

Theme	Instructor	Datas Hald	Number of	
Ineme	Instructor	Dates Held	Participants	
Manhating	Koji	4/90	10	
Marketing	Uehigashi	4/28	48	
Financial Management	Junji Ban	6/16	24	
	Mamoru	C/ 99	26	
НАССР	Hatano	6/ 22		

#### Table 3.7-2 R22 Open Seminar

Theme	Instructor	Dates Held	Number of	
Ineme	Instructor	Dates Held	Participants	
НАССР	Mamoru	0/97	10	
ПАССР	Hatano	9/27	19	
Japanese-style Management	Tdao Yuasa	9/30	50	
KAIZEN	Tetsuo	10/11	160	
KAIZEN	Fukuyama	10/11		
KAIZEN	Tetsuo	10/19	140	
KAIZEN	Fukuymama	10/13		
HRM	Takao	19/11	45	
	Hayashi	12/11	45	

Theme	Instructor	Dates Held	Number of Participants
НАССР	Mamoru Hatano	5/21	50

Table 3.7-3 R23 Open Seminar

#### Table3.7-4 R24 Open Seminar

Theme	Instructor	Dates Held	Number of
Theme	Instructor	Dates Heid	Participants
	Mamoru		
Food Safety Management	Hatano	11/19	F
and HACCP	Daria	11/19	5
	Kodjegulova		

			Round	Company /		Type of
N⁰	Name	Gender			Position	
			No.	Organization		Business
1	Joomart Tashibekov	М	11 (2012)	Hotel Futuro	Owner	Hotel
2	Zhypar Sattarova	$\mathbf{F}$	8 (2010)	Bank of Asia CJSC	Manager	Bank
3	Mederbek Bolotbekov	М	15 (2014)	LLC Redem	Owner	Real estate and construction
4	Azamat Abdykadyrov	М	17 (2015)	"NC"Kyrgyz Temir Jolu"(Rail Roads)	Project Leader	Logistics and transportation
5	Aikanysh Akhmatova	$\mathbf{F}$	11 (2012)	Minimen Bishkek	Owner	Trade
6	Chyngyz Batyrbekov	М	17 (2015)	Bitravel	Owner	Tourism
7	Esengul Dorombekova	$\mathbf{F}$	16 (2014)	LLC "Dress KG"	Owner	Textile
8	Timur Matyev	М	16 (2014)	OJSC "Pharmacy"	General Director	Wholesale and retail of medicines
9	Azat Ibragimov	М	19 (2016)	Konurat Trade Ltd.	Owner	Distribution of household goods
10	Ruslan Iliasov	М	6 (2009)	LLC "ProdSklad"	Owner	Catering service
11	Mederbek Aitbaev	М	-	KRJC	BC Dept. Officer	Education & Research

Table 3.8-1 List of Participants in Training in Japan (Cost Share)

Date		Item	Theme	Instructor/Visit Destination	Content
Sept. 4	AM		JICA Briefing, orientation	JICA Kansai Deputy Manager, Jo	
(Mon)	PM		Program Orientation	PREX, Instructor Setoguchi RPE, Kawauchi	Explanation of training purpose and program
Sept. 5	AM	Presentation s	Issue Setting	Creation Co., Ltd, Inc., Chief Consultant, Atsuyoshi Imamura	Identify issues and clarify points to be learned in the training
(Tues)	PM	Lecture	Characteristics of Japan's economy and business management	Fukui Prefectural University, Professor of Faculty of Economics, Andrei Beroff	Outline the characteristics of Japan's economy and business management
	AM	Tour	product management in	Management Planning Division, Takashi Uchida	Learn current conditions at companies that support logistics. Warehouse tour
Sept. 6 (Wed)	PM	Tour	Management Philosophy	Japan Airlines, Communications Headquarters Corporate Brand Promotion Department, Senior manager of Citizenship Group, Yasunori Abe	Learn about management of a leading Japanese airline that recovered from the verge of bankruptcy.
	AM	Tour	PQM HRM in the service industry	Apex International Inc., Marketing, Maiko Mizubayashi	Learn efforts to improve tours, human resource development, etc. at a land (tour) operator company.
Sept. 7 (Thu)	PM	Lecture Move	involvement in	Mo-House Representative Director, Yuka Mitsuhata	A Company that manufactures and sells nursing clothes. Manager started business to solve social problems.
Sept. 8 (Fri)	AM	Tour	Japan loading	Yamaoka Seisakusho Co., Ltd. Equipment Production Department, Director, Shigeru Nishimura	Many SMEs in Japan have developed advanced technology as a competitive advantage. Learn how technology is maintained and passed on at an ultra-precision mold manufacturer.

#### Table 3.8-2 Schedule of Training in Japan (Cost Share)

	PM	Tour	Corporate CSR and Kaizen Cases	Planning Division,	A manufacturer of electrical equipment and employs persons with disabilities as over half its workforce. Learn how to promote 3S and KAIZEN activities to create a company where everyone can work comfortably.
Sept. 9 (Sat)			Holiday		
	AM	Lecture	Japan Cultural Understanding Program	History Road Promotion Council, Toshiyuki Nishio	Learn the historical culture behind Japan's society and management practices.
Sept. 10 (Sun)	РМ	Tour	Japan Cultural Understanding Program	Same as above	Visit Fushimi Inari Taisha, Kinkaku-ji (Golden Pavilion) and Fukujuen (Tea company) Experience formal tea ceremony etiquette.
Sept.	AM	Presentation s	Interim review	Creation Co., Ltd, Inc., Chief Consultant Atsuyoshi Imamura	Confirm learning in the first half of the program through group discussion and instructor comments.
11 (Mon)	РМ	Tour	Marketing strategy (branding)	Dreams Inc. President, Takashi Miyahira Brand Manager, Junji Sanga	Visit a company that produces popcorn to sell at stores, and learn about branding via tours of a factory site and store.

Sept.	AM	Tour	development	nakatsuji	Lecture by the operator of a company that manufactures hand-made wallets. Learn about communication with customers through the internet, product development, etc.
12 (Tue)	PM	Tour	Japanese company (monozukuri)	Corporation - Appliances Company, Kitchen Appliances Division, Dishwasher Business, Kusatsu Factory Manager, Masaru Toya	Learn approaches to production control

Sept. 13 (Wed)	AM	Lecture	The Importance of Hospitality in Franchise Management and the Service Industry	Human Resources Department, General Manager, Kenta Fujimura/Restaurant Sales Headquarters, Restaurant Development Department,	etc., directly manages a restaurant, and manages the franchise to get a better understanding of the importance of customer service.
	PM	Presentation s	Building a Network with Japanese Companies		Japanese experts and training participants introduce information on Kyrgyz Republic and its economy, followed by an exchange of opinions with Japanese company officials interested in Kyrgyz Republic.
Sept. 14 (Thu)	AM	Tour	Internet-driven sales and store management	Waki Stationery	generating scores of followers. Gain a deeper understanding of how to develop relationships with customers through the internet, as well as store management.
	PM	Presentation s	Training Review Discussion / Presentation Preparation	Inc., Chief Consultant Atsuyoshi	Confirm learning in the second half of the program through group discussion and instructor comments. Prepare for the Results Presentation.
	AM	Presentation s	Presentation of Results	Inc., Chief	Trainees present an action plan covering how they will apply the concepts learned to address the issues set on the first day.
Sept.			Exchange of Opinions		
15 (Fri)	PM	Presentation s		Creation Co., Ltd, Inc., Chief Consultant Atsuyoshi Imamura RPE Michiko	Same as above
			committee	Kawauchi JICA Kansai	

#### **KRJC NEEDS SURVEY** Associations

Good afternoon / evening, my name is \_\_\_\_\_, I represent Kyrgyz-Japan Human Resource center. We are currently conducting a survey to find out the needs of local companies and enterprises as well as awareness of KRJC in Kyrgyzstan market. Your opinion is very important for making timely and correct decisions on various issues. We will be grateful if you can set aside 5 minutes and answer a few questions. We guarantee complete confidentiality of all information received and responses.

/ IF A RESPONDENT SAYS THAT HE / SHE DOES NOT HAVE CERTAIN OR RELIABLE INFORMATION AND THEREFORE, IS NOT SUITABLE FOR AN INTERVIEW: This is not important. We are not trying to collect the right or wrong answers; we just want to know your opinion on certain issues. /

А	GENERAL INFORMATION	SCREENING SECTION
A.1	Number of the interview	
A.2	Date (day/month/year):	D/M/Y
A.3	Name of the association	
A.4	Address	
A.5	Contact number/Telephone	
A.6	Website/Social Media pages	
A.7	Industry Group	
A.8	President/CEO	
A.9	Year of establishment	Y
A.10	Size/ Number of members:	
A.11	Remarks	
В	INTERVIEWED PERSON INFORMATION	
B.12	Person interviewed/Name	
B.13	Occupation/Title	
B.14	Company name	
B.15	Contact number/Telephone	
B.16	E-mail	
С	QUESTION SECT	ION

#### C1. Are you familiar with KRJC

- 1. Yes  $\rightarrow$  C.2)
- 2. No  $\rightarrow$  C.6)

#### C2. From which source have you heard or seen the name of KRJC?

- 1. Graduates of KRJC
- 2. Relatives
- 3. Friends

- Facebook
   Instagram
   Linkedin
   Newspapers
- 8. Other: \_\_\_\_

#### C3. Have any members of your organization ever participated in KRJC courses or seminars?

- 1. Yes  $\rightarrow$  C.4)
  - Please specify: \_
- 2. No  $\rightarrow$  C.5)

#### [ANNEX 1-3] C4. Have you ever heard of any comments from the participants?

- 1. Yes  $\rightarrow$  C.6)
- Please specify: \_\_\_\_\_
- 2. No  $\rightarrow$  C.6)

#### C5. Have you ever organized external trainings for your association members?

1. Yes  $\rightarrow$  C.6) Please specify: Organization: Course: 2. No  $\rightarrow$  C.6)

#### C6. Are you interested in receiving information of future seminars or courses from KRJC?

- 1. Yes  $\rightarrow$  C.7) To whom: \_\_\_\_
- Tel: E-mail address: \_\_\_\_\_ 2. No  $\rightarrow$  C.7)

#### C7. What kind of business issues do you often face within members of your association?

- 1. Strategy
- 2. HR
- 3. IT
- 4. Financial Management
- 5. Sales/Marketing
- 6. Production
- 7. Service
- 8. Others/Please specify: \_\_\_\_\_

#### C8. What kind of external issues do you often face within members of your association?

- 1. Regulation
- 2. Environment
- Technology
   Market/Competition
   Borrowing
   Foreign Exchange

- 7. Others/Please specify: \_\_\_\_\_

#### C9. What subjects / themes of training courses are most suited for members of your association?

Please specify: \_\_\_\_\_

#### C10. Would you consider inviting an expert from KRJC to assist to solve your issues?

- 1. Yes
- 2. No/Please specify the reason:

#### C11. Is it possible for KRJC to make a presentation at the meeting / gathering of your association?

1. Yes

#### [ANNEX 1-3]

2. No/Please specify the reason:

In case you have any questions about our survey or what we discussed. If you have any questions, problems or complaints, please contact KRJC by phone +996 (312) 90-65-80/81

#### KRJC NEEDS SURVEY Enterprises

Good afternoon / evening, my name is \_\_\_\_\_, I represent Kyrgyz-Japan Human Resource center. We are currently conducting a survey to find out the needs of local companies and enterprises as well as awareness of KRJC in Kyrgyzstan market. Your opinion is very important for making timely and correct decisions on various issues. We will be grateful if you can set aside 5 minutes and answer a few questions. We guarantee complete confidentiality of all information received and responses.

/ IF A RESPONDENT SAYS THAT HE / SHE DOES NOT HAVE CERTAIN OR RELIABLE INFORMATION AND THEREFORE, IS NOT SUITABLE FOR AN INTERVIEW: This is not important. We are not trying to collect the right or wrong answers; we just want to know your opinion on certain issues. /

А	GENERAL INFORMATION	SCREENING SECTION
A.1	Number of the interview	
A.2	Date (day/month/year):	D/M/Y
A.3	Name of the company	
A.4	Address (office/factory)	
A.5	Contact number/Telephone	
A.6	Website/Social Media pages	
A.7	Line of Business (Main Products)	
A.8	Owner/CEO name	
A.9	Year of establishment	Y
A.11	Size/ Number of members:	
A.12	Remarks	
В	INTERVIEWED PERSON INFORMATION	
B.12	Person interviewed/Name	
B.13	Occupation/Title	
B.14	Company name	
B.15	Contact number/Telephone	
B.16	E-mail	
С	QUESTION SECTION	N

#### C1. Do you have an in-company training program?

- 1. Yes  $\rightarrow$  C.2)
- Themes: \_\_\_\_\_\_ 2. No  $\rightarrow$  C.2)

#### C2. Have you ever sent your employees to an external training organization?

#### C3. Are you familiar with KRJC?

- 1. Yes  $\rightarrow$  C.4)
- 2. No  $\rightarrow$  C.8)

#### [ANNEX1-4]

#### C4. From which source have you heard or seen the name of KRJC?

- 1. Graduates of KRJC
- 2. Facebook
- 3. Linkedin
- 4. Newspaper
- 5. Others/Please specify: \_\_\_\_\_

#### C5. Have any of your employees ever participated in KRJC courses or seminars?

- 1. Yes  $\rightarrow$  C.6)
  - Name of the source/seminar: \_\_\_\_\_
- 2. No  $\rightarrow$  C.8)

#### C6. Have you ever heard of any comments from the participants?

- 1. Yes  $\rightarrow$  C.7) Any points of improvement:
- 2. No  $\rightarrow$  C.7)

#### C7. Are you interested in receiving information of future seminars or courses from KRJC?

- 1. Yes  $\rightarrow$  C.8) To whom: \_\_\_ Telephone: E-mail address: \_\_\_\_\_
- 2. No  $\rightarrow$  C.8)

#### C8. What kind of business issues do you often face in your company?

- 1. Strategy
- 2. HR issues
- 3. IT related
- 4. Financial Management
- 5. Sales/Marketing
- 6. Production
- 7. Services
- 8. Others/Please specify: \_\_\_\_\_

#### C9. What kind of external issues do you often face in your company?

- 1. Regulation

- Regulation
   Environment
   Technology
   Market/Competition
   Borrowing
   Foreign Exchange

- 7. Others/Please specify: \_\_\_\_\_

#### C10. What subjects / themes of training courses are most suited for your company?

Please specify: \_\_\_\_\_

#### 【ANNEX1-4】

C11. Would you consider inviting an expert from KRJC to assist to solve your issues?

- 1. Yes
- 2. No/Please specify the reason:

In case you have any questions about our survey or what we discussed. If you have any questions, problems or complaints, please contact KRJC by phone +996 (312) 90-65-80/81

#### List of Topics raised by R23 Participants

(Personnel Matter-related>       (Production Management-related>)         1       Management Skill of HR (HRM)       10       36 Kaizen       7         2       Time Management       9       37 5S       2         3       Motivation       5       38 Svc and Product Quality Managmt       1         4       Leadership       39 TPS       1         5       Ho-Ren-So       3       40 Muda       1         6       Detailed HRM       2       41 QC Circle       1         7       42       Lean Banking       1       1         6       Detailed HRM       2       42       Lean Banking       1         7       42       Lean Banking       1       1       1         7       VP       2       43 Sales / Sales Increase       11         1       Presentation Skill       2       44 Marketing       8         1       Prosentation Skill       2       44 Barketing       1         1       Presentation Skill       1       44 Barketing       1         1       Prosentation Skill       1       44 Barketing       1         1       Prosentation of Process       1       50 Sales Promotion	No.	Topics	Q'ty	No.	Topics	Q'ty
1       Management Skill of HR (HRM)       10       36       Kaizen       7         2       Time Management       9       37       5S       2         3       Motivation       5       38       Svc and Product Quality Managmt       1         4       Leadership       39       TPS       1         4       Leadership       39       TPS       1         6       Detailed HRM       2       40       Muda       1         7       KPI       2       42       Lean Banking       1         7       KPI       2       42       Lean Banking       1         7       KOrlist Resolution       2       42       Lean Banking       1         10       Oratory       2       43       Sales / Sales Increase       11         11       Presentation Skill       2       44       Marketing       8         12       How to Eliminate Managerial Faults       1       44       Service       2         13       How to Eliminate Managerial Faults       1       47       Branding       2         14       Way of Solving Conflicts       1       49       Attracing Customers       1			~ 0			~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~
2       Time Management       9       37       5S       2         3       Motivation       5       38       Svc and Product Quality Managmt       1         4       Leadership       39       TPS       1         5       Ho-Ren-So       3       40       Muda       1         6       Detailed HRM       2       41       QC Circle       1         7       KPI       2       42       Lean Banking       1         8       Conflict Resolution       2       43       Sales / Sales Increase       11         10       Oratory       2       43       Sales / Sales Increase       11         11       Presentation Skill       2       44       Marketing       8         12       How to inform an employee of his/her dismissal       1       45       Customer Service       3         13       How to Eliminate Managerial Faults       1       46       Service       2         14       Way of Solving Conflicts       1       47       Branding       1       1         16       Business Ethics       1       49       Attracting Customers       1       1         17       Optimization of Process<	1		10			7
3Motivation538Svc and Product Quality Managmt14Leadership339TPS15Ho-Ren-So340Muda16Detailed HRM241QC Circle17KPI242Lean Banking18Conflict Resolution242Lean Banking19Negotiation Skill243Sales / Sales Increase1111Presentation Skill244Marketing-related>12How to inform an employee of his/her dismissal146Service213How to Eliminate Managerial Faults146Service215Coaching Skill148Internet Marketing116Business Ethics149Attracting Customers117Optimization of Process150Sales Promotion118Decision Making151Export120Corporate Culture153Quality Management of Tourism121International Cooperation155Logistics123Speech Skill157Taxation424How to Answer Phone Calls158115825Usuiness Planning460Accounting126Strategic Management459How to Find Investors125Haccep Alangement <td< td=""><td>2</td><td></td><td></td><td></td><td></td><td></td></td<>	2					
4       Leadership       3         4       Leadership       3         5       Ho-Ren-So       3         6       Detailed HRM       2         7       KPI       2         8       Conflict Resolution       2         9       Negotiation Skill       2         10       Oratory       2         40       Marketing-related>         10       Oratory       2         41       Gales / Sales Increase       11         11       Presentation Skill       2         12       How to inform an employee of his/her dismissal       1         13       How to Eliminate Managerial Faults       1         14       Way of Solving Conflicts       1         15       Coaching Skill       1         16       Business Ethics       1         17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         21       How to Answer Phone Calls       1         22       Harketing in Construction       1         23       Speech Skill       1         24       How to Answer Phone C						1
5Ho-Ren-So340Muda16Detailed HRM241QC Circle17KPI242Lean Banking18Conflict Resolution243Sales / Sales Increase119Negotiation Skill243Sales / Sales Increase1110Oratory243Sales / Sales Increase1111Presentation Skill244Marketing-related>12how to inform an employee of his/her dismissal145Customer Service313How to Eliminate Managerial Faults145Customer Service316Business Ethics149Attracting Customers116Business Ethics150Sales Promotion119PDCA152Marketing in Construction121Project Management154SCM122International Cooperation155Logistics123Speech Skill157Taxation424How to Answer Phone Calls159How to Find Investors125(Business) Management656Financial Management126Strategic Management159How to Find Investors127Business With Examples160Accounting130The Heart of Management159How to Find Investors<						1
6       Detailed HRM       2         7       KPI       2         8       Conflict Resolution       2         9       Negotiation Skill       2         10       Oratory       2         11       Presentation Skill       2         12       How to inform an employee of his/her dismissal       1         13       How to colliminate Managerial Faults       1         14       Way of Solving Conflicts       1         15       Coaching Skill       1         16       Business Ethics       1         17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         20       Corporate Culture       1         13       How to Answer Phone Calls       1         14       Way of Anagement       1         17       Optimization       1       51         21       Internet Marketing in Construction       1         22       Internet Marketing in Construction       1         23       Quality Management of Tourism       1         24       How to Answer Phone Calls       1         25       <						1
7       KPI       2       42       Lean Banking       1         8       Conflict Resolution       2       (Sales/Marketing-related)         9       Negotiation Skill       2       (Sales/Marketing-related)         10       Oratory       2       43       Sales / Sales Increase       11         11       Presentation Skill       2       44       Marketing       8         12       How to inform an employee of his/her dismissal       1       44       Marketing       8         13       How to Eliminate Managerial Faults       1       46       Service       2         14       Way of Solving Conflicts       1       47       Branding       2         14       Way of Solving Conflicts       1       49       Attracting Customers       1         16       Business Ethics       1       49       Attracting Customers       1       1         17       Optimization of Process       1       50       Sales Promotion       1       1         18       Decision Making       1       51       Export       1       1       1       52       Marketing in Construction       1       1       52       Logistics       1       1						1
8       Conflict Resolution       2         9       Negotiation Skill       2         10       Oratory       2         11       Presentation Skill       2         12       how to inform an employee of his/her dismissal       1         13       How to Eliminate Managerial Faults       1         13       How to Eliminate Managerial Faults       1         14       Way of Solving Conflicts       1         15       Coaching Skill       1         16       Business Ethics       1         17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         20       Corporate Culture       1         11       52       Marketing in Construction       1         12       International Cooperation       1       55       Logistics       1         21       How to Answer Phone Calls       1       57       Taxation       4         26       Business Management       6       S8       IT Technology in Banking       1         22       Gusiness Nanagement       6       Accounting       1       50         27						1
9       Negotiation Skill       2       (Sales/Marketing-related>         10       Oratory       2       43       Sales / Sales Increase       11         11       Presentation Skill       2       44       Marketing       8         12       How to inform an employee of his/her dismissal       1       44       Marketing       8         13       How to Eliminate Managerial Faults       1       46       Service       2         14       Way of Solving Conflicts       1       46       Service       2         14       Way of Solving Conflicts       1       48       Internet Marketing       1         15       Coaching Skill       1       49       Attracting Customers       1         16       Business Ethics       1       49       Attracting Customers       1         17       Optimization of Process       1       50       Sales Promotion       1         18       Decision Making       1       51       Export       1         20       Corporate Culture       1       53       Quality Management of Tourism       1         23       Speech Skill       1       1       54       SCM       1         24						
10       Oratory       2       43       Sales / Sales Increase       11         11       Presentation Skill       2       44       Marketing       8         12       How to inform an employee of his/her dismissal       1       44       Marketing       8         13       How to Eliminate Managerial Faults       1       46       Service       2         14       Way of Solving Conflicts       1       46       Service       2         14       Way of Solving Conflicts       1       48       Internet Marketing       1         16       Business Ethics       1       49       Attracting Customers       1         17       Optimization of Process       1       50       Sales Promotion       1         19       PDCA       1       52       Marketing in Construction       1         12       Project Management       1       53       Quality Management of Tourism       1         121       Project Management       1       55       Logistics       1         122       International Cooperation       1       55       Logistics       1         123       Speech Skill       1       1       56       Financial Management/Acco	9			<sale< td=""><td>s/Marketing-related&gt;</td><td></td></sale<>	s/Marketing-related>	
11       Presentation Skill       2         12       How to inform an employee of his/her dismissal       1         13       How to Eliminate Managerial Faults       1         13       How to Solving Conflicts       1         14       Way of Solving Conflicts       1         15       Coaching Skill       1         16       Business Ethics       1         17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         20       Corporate Culture       1         21       Speech Skill       1         22       Marketing in Construction       1         23       Speech Skill       1         24       How to Answer Phone Calls       1         25       Business Planning       4         26       Strategic Management       6         27       Business Planning       4         28       Japanese-style Management       1         29       Japanese Business with Examples       1         30       The Heart of Management       1         31       Strategy       1         32       Japanes						11
12       How to inform an employee of his/her dismissal       1       45       Customer Service       3         13       How to Eliminate Managerial Faults       1       46       Service       2         14       Way of Solving Conflicts       1       46       Service       2         15       Coaching Skill       1       48       Internet Marketing       1         16       Business Ethics       1       49       Attracting Customers       1         17       Optimization of Process       1       50       Sales Promotion       1         18       Decision Making       1       51       Export       1         19       PDCA       1       52       Marketing in Construction       1         20       Corporate Culture       1       53       Quality Management of Tourism       1         21       International Cooperation       1       55       Logistics       1         21       International Cooperation       1       55       Logistics       1         23       Speech Skill       1       -       -       -         24       How to Answer Phone Calls       1       56       Financial Management /Accounting-related> </td <td></td> <td></td> <td></td> <td>44</td> <td>Marketing</td> <td>8</td>				44	Marketing	8
14       Way of Solving Conflicts       1         15       Coaching Skill       1         16       Business Ethics       1         17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         20       Corporate Culture       1         21       Froject Management       1         22       International Cooperation       1         23       Speech Skill       1         24       How to Answer Phone Calls       1         25       Lgusiness Management       6         26       Strategic Management       1         26       Strategic Management       1         27       Business Planning       4         30       The Heart of Management       1         31       Strategy       1         32       HACCP – related>       1         33       HACCP       1       1         34       HACCP Auditing       1       1	12		1			3
15Coaching Skill148Internet Marketing116Business Ethics149Attracting Customers117Optimization of Process150Sales Promotion118Decision Making151Export119PDCA152Marketing in Construction120Corporate Culture153Quality Management of Tourism121Project Management155Logistics123Speech Skill155Logistics124How to Answer Phone Calls156Financial Management/Accounting-related>56Strategic Management658IT Technology in Banking126Strategic Management159How to Find Investors127Business Planning460Accounting128Japanese-style Management159How to Find Investors130The Heart of Management151Business Law131Strategy1111132HACCP -related>111133HACCP1111134HACCP Auditing1111134HACCP Auditing11111	13		1			2
16Business Ethics149Attracting Customers117Optimization of Process150Sales Promotion118Decision Making151Export119PDCA152Marketing in Construction120Corporate Culture153Quality Management of Tourism121Project Management154SCM122International Cooperation155Logistics123Speech Skill1155Logistics124How to Answer Phone Calls155Kinancial Management/Accounting-related>25(Business) Management656Financial Management1126Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese-style Management151Business Law129Japanese Business with Examples161Business Law130The Heart of Management111131Strategy1111132HACCP for Dairy Products211134HACCP Auditing11111	14	Way of Solving Conflicts	1	47	Branding	2
17       Optimization of Process       1         18       Decision Making       1         19       PDCA       1         20       Corporate Culture       1         21       Project Management       1         22       International Cooperation       1         23       Speech Skill       1         24       How to Answer Phone Calls       1         4       How to Answer Phone Calls       1         50       Strategic Management       6         50       Strategic Management       1         26       Strategic Management       1         27       Business Planning       4         28       Japanese Business with Examples       1         30       The Heart of Management       1         4ACCP-related>       1       1         32       HACCP       1         33       HACCP       1       1         34       HACCP Auditing       1       1	15	Coaching Skill	1	48	Internet Marketing	1
18       Decision Making       1       51       Export       1         19       PDCA       1       52       Marketing in Construction       1         20       Corporate Culture       1       53       Quality Management of Tourism       1         21       Project Management       1       53       Quality Management of Tourism       1         21       International Cooperation       1       54       SCM       1         23       Speech Skill       1       55       Logistics       1         24       How to Answer Phone Calls       1       55       Logistics       1         24       How to Answer Phone Calls       1       56       Financial Management/Accounting-related>         55       (Business) Management       6       58       IT Technology in Banking       1         25       (Business Planning       4       59       How to Find Investors       1         26       Strategic Management       1       61       Business Law       1         29       Japanese Business with Examples       1       61       Business Law       1         30       The Heart of Management       1       1       1       1       1 <td>16</td> <td>Business Ethics</td> <td>1</td> <td>49</td> <td>Attracting Customers</td> <td>1</td>	16	Business Ethics	1	49	Attracting Customers	1
19PDCA152Marketing in Construction120Corporate Culture153Quality Management of Tourism121Project Management154SCM122International Cooperation155Logistics123Speech Skill155Logistics124How to Answer Phone Calls156Financial Management/Accounting-related>24How to Answer Phone Calls157Taxation425(Business) Management658IT Technology in Banking126Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese Business with Examples161Business Law130The Heart of Management111131Strategy111132HACCP for Dairy Products211134HACCP Auditing1111			1	50	Sales Promotion	1
20Corporate Culture121Project Management122International Cooperation123Speech Skill124How to Answer Phone Calls124How to Answer Phone Calls155(Business) Management625(Business) Management626Strategic Management427Business Planning428Japanese-style Management130The Heart of Management131Strategy132HACCP -related>233HACCP134HACCP Auditing1	18	Decision Making	1	51	Export	1
21Project Management122International Cooperation123Speech Skill124How to Answer Phone Calls124How to Answer Phone Calls124How to Answer Phone Calls156Financial Management/Accounting-related>56Strategic Management625(Business) Management626Strategic Management427Business Planning428Japanese-style Management130The Heart of Management131Strategy132HACCP-related>233HACCP134HACCP Auditing1	19	PDCA	1	52	Marketing in Construction	1
22       International Cooperation       1         23       Speech Skill       1         24       How to Answer Phone Calls       1         24       How to Answer Phone Calls       1         3       Financial Management/Accounting-related>         56       Financial Management       11         57       Taxation       4         25       (Business) Management       6         26       Strategic Management       4         27       Business Planning       4         28       Japanese-style Management       1         30       The Heart of Management       1         31       Strategy       1         32       HACCP for Dairy Products       2         33       HACCP       1         34       HACCP Auditing       1	20	Corporate Culture	1			1
23       Speech Skill       1           24       How to Answer Phone Calls       1           24       How to Answer Phone Calls       1           3       Management-related>       56       Financial Management (Accounting-related)       11         25       (Business) Management       6       58       IT Technology in Banking       1         26       Strategic Management       4       59       How to Find Investors       1         27       Business Planning       4       60       Accounting       1         28       Japanese-style Management       1       61       Business Law       1         29       Japanese Business with Examples       1       61       61       61       61         30       The Heart of Management       1       1       1       1       1       1         31       Strategy       1       1       1       1       1       1       1         32       HACCP for Dairy Products       2       1       1       1       1       1         33       HACCP       1       1       1       1       1       1 <t< td=""><td>21</td><td>Project Management</td><td>1</td><td>54</td><td>SCM</td><td>1</td></t<>	21	Project Management	1	54	SCM	1
24       How to Answer Phone Calls       1                56         Strategic Management       6         25       (Business) Management       6         26       Strategic Management       4         27       Business Planning       4         28       Japanese-style Management       1         29       Japanese Business with Examples       1         30       The Heart of Management       1         31       Strategy       1         32       HACCP for Dairy Products       2         33       HACCP       1         34       HACCP Auditing       1	22	International Cooperation	1	55	Logistics	1
Image: Section of the section of th	23	Speech Skill	1			
<management-related>57Taxation425(Business) Management658IT Technology in Banking126Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese-style Management161Business Law129Japanese Business with Examples161Business Law130The Heart of Management111131Strategy111132HACCP for Dairy Products211134HACCP Auditing1111</management-related>	24	How to Answer Phone Calls	1	<fina< td=""><td>ncial Management/Accounting-related</td><td>ed&gt;</td></fina<>	ncial Management/Accounting-related	ed>
<management-related>57Taxation425(Business) Management658IT Technology in Banking126Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese-style Management161Business Law129Japanese Business with Examples161Business Law130The Heart of Management111131Strategy111132HACCP for Dairy Products211134HACCP Auditing1111</management-related>				56	Financial Management	11
25(Business) Management658IT Technology in Banking126Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese-style Management161Business Law129Japanese Business with Examples161Business Law130The Heart of Management111131Strategy111132HACCP for Dairy Products211134HACCP Auditing1111	<man< td=""><td>agement-related&gt;</td><td></td><td></td><td></td><td>4</td></man<>	agement-related>				4
26Strategic Management459How to Find Investors127Business Planning460Accounting128Japanese-style Management161Business Law129Japanese Business with Examples161Business Law130The Heart of Management111131Strategy111131Strategy111132HACCP for Dairy Products211134HACCP Auditing1111			6	58	IT Technology in Banking	1
27       Business Planning       4       60       Accounting       1         28       Japanese-style Management       1       61       Business Law       1         29       Japanese Business with Examples       1       61       Business Law       1         30       The Heart of Management       1       1       1       1         31       Strategy       1       1       1       1         31       Strategy       1       1       1       1         32       HACCP for Dairy Products       2       1       1       1         33       HACCP Auditing       1       1       1       1	26	Strategic Management	4			1
29       Japanese Business with Examples       1         30       The Heart of Management       1         31       Strategy       1         31       Strategy       1   32       HACCP for Dairy Products       2         33       HACCP       1         34       HACCP Auditing       1	27	Business Planning	4	60	Accounting	1
29       Japanese Business with Examples       1         30       The Heart of Management       1         31       Strategy       1         31       Strategy       1   32       HACCP for Dairy Products       2         33       HACCP       1         34       HACCP Auditing       1	28	Japanese-style Management	1	61	Business Law	1
30     The Heart of Management     1       31     Strategy     1       31     Strategy     1  32     HACCP for Dairy Products     2       33     HACCP     1       34     HACCP Auditing     1			1			
31     Strategy     1     Image: Constraint of the second secon			1			
<haccp-related>        32     HACCP for Dairy Products     2       33     HACCP     1       34     HACCP Auditing     1</haccp-related>			1			
32HACCP for Dairy Products233HACCP134HACCP Auditing1						
32HACCP for Dairy Products233HACCP134HACCP Auditing1	<hac< td=""><td>CP-related&gt;</td><td></td><td></td><td></td><td></td></hac<>	CP-related>				
33         HACCP         1			2			Ī
34 HACCP Auditing 1						1

#### List of Topics raised by R24 Participants

No.	Topics	Q'ty	No.	Topics	Q'ty
<per:< td=""><td>sonnel Matter-related&gt;</td><td></td><td><pro< td=""><td>duction Management-related&gt;</td><td></td></pro<></td></per:<>	sonnel Matter-related>		<pro< td=""><td>duction Management-related&gt;</td><td></td></pro<>	duction Management-related>	
1	HRM	5		Kaizen in Detail	3
2	Time Management	1	24	Practical Implementation of Kaizen	1
3	Motivation	1		·	
4	KPI	1	<sale< td=""><td>s/Marketing-related&gt;</td><td></td></sale<>	s/Marketing-related>	
5	How to manage yourself at new position	1		Marketing	5
6	How to manage conflict situation	1	26	Digital Marketing	2
7	How to be a better manager	1		Sales	2
8	Development of Personality	1		Internet Sales	1
				Sales for Startup Business	1
<mar< td=""><td>agement-related&gt;</td><td>I</td><td></td><td>Sales in Local Market</td><td>1</td></mar<>	agement-related>	I		Sales in Local Market	1
9	Management	3		New Method of Selling	1
	Strategic Management	2		Customer Psychology	1
11	How to improve your business	2		Stock Management at Retail	1
12	Gap Analysis	1		Service	1
13	Trend in Strategic Planning	1	-	Export Documentation	1
14	Business Plan (How to set a goal)	1			<u> </u>
15	Business System	1	< Fina	ı ıncial Management/Accounting-relate	- - -
16	Optimization of Business	1		Financial Management	1
10		-		In-depth Study of Financial	
17	West Way of Management	1	37	Accounting	1
18	Crisis management	1	38	Managerial Accounting	1
19	Social Management	1	39	Financial Forecast	1
			40	Blockchain	1
			41	Success of Japanese Economy and the role of Banks	1
<ha(< td=""><td>CP-related&gt;</td><td>-</td><td></td><td></td><td></td></ha(<>	CP-related>	-			
	НАССР	1	<0th	ers>	
	ISO22000	1		AI	1
22	Technical Regulation of Food Production	1	43	IT Security	1
			44	Technoliteracy	1
			45	Examples of Japanese IT	1
				Terms of Obtaining ISO	1
				How to open your own site	1
			48	Analysis of Information	1
			49	How to find partner	1
			50	Startup Attracting Investment	1
			51	How to develop small business and where to begin	1
			52	What business is successful now	1
F			- 52		
			1	1	

## Expert Activity Report (Summary)

- 1. Country: Kyrgyz Republic (Activities only in Japan)
- 2. Assigned Organization : Kyrgyz Republic-Japan Center for Human Development (KRJC) (Activities in Japan)

3. Subject: Business Exchange Promotion

4. Period: 2018 Sept. 15 to 2019 Mar. 31

5. Activity Results :

1. Information dissemination through seminars (business associations, regional commerce and industry, other economic organizations, etc.)

1.1 Strengthen cooperation with existing network (JETRO, JCCI etc.)

1.2 Development of new networks (local commerce and industry associations, Lions Clubs, other economic organizations throughout the country, etc.)

1.3 Efforts toward participating in business seminars and study sessions held by business associations in Japan (seeding in the next fiscal year)

2. Needs survey of companies etc. (consultations for companies, collaboration with B-Club)

2.1 Kyrgyz business consultation for Japanese companies

2.2 New investment by companies (investors)

2.3 Strengthen collaboration with KRJC business (B-Club etc.)

6. Achievement :

- I conducted visits and contacts to maintain and strengthen cooperation with existing networks. Inbound business matching held by ROTOBO in February 2018, I supported business promotion for Kyrgyz companies. And when the Kyrgyz secretariat of ROTOBO business network was changed and worsened the communication with Japan, I have settled this problem.
- In exploring new networks, I visited business organizations in Fukuoka and Kagoshima, and provided information on Kyrgyz business opportunity information and exchanged views. In addition, several regional chambers of commerce and industry that I have approached promised to host Kyrgyz's business investment seminar as the theme of the next fiscal year.

• Japanese companies continue paying attention to organic products. Most of them are interested in honey, horse placenta, dried fruits,

# Expert Activity Report (Summary)

vegetable oil etc., which have already been imported. I found other interests such as property investment and recruitment of young Kyrgyz people.

- In cooperation with the KRJC business project, I started communicating with the B Club secretariat and discussing how to cooperate in future.
- 7. List of Products :

Invest in Kyrgyz 2018 (Japanese version)

Invest in Kyrgyz (by sectors) 2018 (Japanese version)

Feb. 21, 2019

# Expert Activity Report

Name: Hajime Suzuki

Project:Kyrgyz Republic and the Republic of Kazakhstan Japan Center Project in Central Asia Region(Kyrgyz and Kazakhstan)

1. Country: Kazakhstan (Kyrgyz-Kazakhstan Japan Center Project)
2. Assigned Organization : Kazakhstan-Japan Center for Human Development
3. Subject: Production/Quality Management (KAIZEN)
4. Period: FY2017         1 <sup>st</sup> 6/13-7/6, 2 <sup>nd</sup> 8/22-10/19, 3 <sup>rd</sup> 11/18-12/16, 4 <sup>th</sup> 1/27-2/24, 5 <sup>th</sup>
3/31-4/21, 6 <sup>th</sup> 5/31-6/14, FY2018 1 <sup>st</sup> 9/8-10/6, 2 <sup>nd</sup> 10/30-11/17, 3 <sup>rd</sup> 1/8-2/2
5. Activities, Results:
FY2017; 1) Consulting
KJC/DAMU KAIZEN Project (1 year)
<ol> <li>ProMet, ②Ariya Z, ③Stroiclass, ④Banur, ⑤Ariya Z, Astana</li> </ol>
Branch,
©Transcom/Bereke, ⑦SZATSI, ⑧Aitas, ⑨Karavai.
Project activities were OJT for Local Experts.
2) Seminar
3 day Public Seminar on Practical KAIZEN for Production/Quality
Management
<ol> <li>6/19-21 Almaty (23 participants), 2 2/2-4 Astana (15)</li> </ol>
3) Narxoz Mini MBA Basic Course
① 1 <sup>st</sup> finished on 6/24 (6 participants), ② 2 <sup>nd</sup> started 10/13
FY2018 : 1-1) Concluded FY2017 Project with KAIZEN Conference in Almaty,
Conducted Reporting Seminar at Ministry of National Economy in Astana
1-2) Continuous Challenge Program is ongoing at 2 companies which
expressed strong will to continue. ① Stroiclass, ② Karavai
2) Seminar
3 days Public Seminar on Practical KAIZEN for Production/Quality
Management
<ol> <li>11/12-14 Almaty (30 participants), </li> <li>1/28-30 Astana (17)</li> </ol>
3) Narxoz Mini MBA Basic Course
$2^{nd}$ finished $2/17(27, but 0 student)$
4) Technology Transfer of Case Writing, Seminar/Course, together with the
above OJT, developed 7 KJC qualified consultant.
5) Developed foundation for Integrated Way of productivity improvement
Starting Basic class "Practical 5S & Kaizen" as Public Seminar→
Customized
Seminar→Consulting Program, then
Intermediate class "Practical KAIZEN" with the same steps, then
Advanced class "Continuous Challenge Program" together with
"Practical KAIZEN Certificate Scheme". With these integrated

(ANNEX2-1)

activities, client company and KJC can progress together for
productivity.
This is unique and strength of KJC.
6. Achievement:
<ol> <li>In Consulting, Certificate Scheme is introduced in which company and KJC consultant cooperatively work on continuous activities, which is the base of KAIZEN, to achieve target. In FY 2017, 4 companies received 1<sup>st</sup> kyu and 5 companies 3<sup>rd</sup> kyu. In FY2018, 2 companies are challenging for higher level. This can be said as "well achieved".</li> <li>2) For Seminer, A times and 25 proticipants companies are challenging to this companies and KAIZEN.</li> </ol>
<ol> <li>For Seminar, 4 times and 85 participants acquired practical thinking on KAIZEN in 2017-18. Considered as well achieved both in contents and number of participants.</li> </ol>
3) Narxoz Mini MBA, 2 times of Basic but no Intermediate, achieved 50%.
4) Development of local expert, 6 Senior KJC qualified consultant and 1 Associate through OJT in KAIZEN Project and Seminar, Mini MBA Course. Considered as well achieved in short period.
5) Integrated Way will make KJC's asset of practiced based knowledge possible to utilize which will meet JICA's principle and will be able to contribute to Kazakhstan's Productivity Development. This will be a good step of achievement.
7. List of Products :
1) Case Writing
Seven cases were produced as materials for local experts to polish up their level
<ul> <li>each other.</li> <li>Form KAIZEN Project, 6 companies were selected (1 for each local expert) and produced (Main + Presentation + Evaluation) as a set. Additionally, practical way of Excel, applied in Project companies, was edited as Business Excel.</li> <li>2) Practical KAIZEN Certificate Scheme</li> </ul>
In order to motivate Project companies, Certificate Scheme was developed and applied successfully by local experts. This scheme is not to certify absolute level but a tool of
communication for continuous improvement. Unlike ordinary Award (often becomes one
time activity), it is unique way for cooperative work among all persons concerned
which
indispensable for KAIZEN. It consists of 3 classes, Basic, Intermediate and
Advanced.

上級クラス Advanced class;	継続的挑戦プログラム Continuous Challenge Program	2つのレベル 2 levels				上級 スターティング Advanced Starting (1st kyu)	上級 プログレッシング Advanced Progressing (1st dan)
中級クラス Intermediate class;	実践的カイゼンプログラム Practical KAIZEN Program	3つのレベル 3 levels		中級 スタ―ティング Intermediate Starting (5th kyu)	中級 プログレッシング Intermediate Progressing (3rd kyu)	中級 ウエル プログレッシング Intermediate Well Progressing (1st kyu)	
基礎クラス Basic class;	実践的5S及びKaizen プログラム Practical 5S & Kaizen Program	2つのレベル 2 levels	基礎 スターティング Basic Starting (7th kyu)	基礎 プログレッシング Basic Progressing (5th kyu)		<u> </u>	

- Technical Transfer of Seminars and Mini MBA Course Following 4 Seminars/Course have been transferred.
  - ① 3 day Public Seminar on Practical KAIZEN for Production/Quality Management
  - 2 3 day Customized Seminar on Practical KAIZEN
  - 3 3 day Public Seminar on Practical 5S & Kaizen
  - ④ Mini MBA on Guide to Essence of Japanese Management, (Mr. Imai's KAIZEN, KAIZEN for Productivity (Keynote Speech at KAIZEN Conference), Narxoz Basic (Practical KAIZEN-1) and Intermediate (Practical KAIZEN-2) are covered aiming to provide right understanding on overall Japanese Management),

(ANNEX2-1)

### Expert Activity Report (Summary)

1. Country: The Republic of Kazakhstan (RK)

2. C/P: Kazakhstan-Japan Center for Human Development (KJC)

3. Subject: Promotion of Small to Medium-sized Enterprise (SME) Development

4. Period: 2018 Nov.4 to 2018 Dec.27, 2019 Jan.12 to 2019 Jan.22

5. Activity Results :

1 Kazakhstan SME business promotion

1.1 Collect and organize information on SME business promotion

1.2 Sharing information and knowledge with relevant organizations

1.3 Promoting reforms that contribute to improving the business environment of SME through coordination with relevant organizations

2 Activities through KJC as an important channel in promoting SME

2.1 Strengthen KJC's organization management system

2.2 Strengthen planning and management system of KJC's business course, and consulting service

2.3 Strengthen relationship with other business institutions and another Central Asia Japan Center etc.

2.4 KJC strengthens its function as business exchange base with the Japanese business in RK and encourages business exchange with local companies and Japanese companies

6. Achievement :

I conducted surveys on current situations and challenges of individual SMEs as well as on the status of policies and activities of related organizations in the country, how to promote SMEs, through the interview of various economic organizations and individual SMEs.

I also visited international organizations that support SMEs promotion, exchanged opinions and views with the related organizations to explore current issues and direction for improvement.

 $\cdot$  I could confirm the direction to promote SMEs using the KJC platform with relevant persons. In the future, KJC will look for signing MOU, which confirms collaboration with them through actual projects.

 $\cdot$  In order to strengthen the activities of KJC, I confirmed the current situation and reexamined the business based on the past experience and actual results. KJC was able to create a new business plan by seeking

[ANNEX2-2]

### Expert Activity Report (Summary)

collaboration with related government agencies, business associations, private enterprises, universities etc.

 $\cdot$  It is necessary for KJC (challenges) to secure appropriate human resources and construct the network in order to develop as a business exchange base with the Japanese business in the country.

7. List of Deliverables :

Presentation to the Ministry of National Economy English

KJC business plan 2019 eg (word)

KJC business plan final (excel)

#### Product 1: Case Writing

Seven cases were produced as materials for local experts (KJC qualified Consultants) to polish up their skills each other in Russian (non-open).

Among 14 Project companies, 6 companies were selected for Case Writing, consisting 3 parts, Main (Summary + All items) + Presentation + Evaluation) as a set. Additionally, practical use of Excel applied in Project companies was selected as Business Excel. 7 local experts shared 7 tasks to work.

Each company's Summary part of Main and Introduction of Business Excel were produced in English (non-open).

Followings are brief introduction of each case and 1 page highlight of 3 excellent companies, Stroiclass (Astana, Construction), Banur (Astana, Ice cream) and Karavai (Ust, Bread) for publicity (both are open).

#### <Simple Introduction>

1. Inkar (Almaty, import and distribution of medical goods, FY2016 3<sup>rd</sup> kyu), Ms. Natalya At their newly built Distribution Center (3 years ago), they were suffered from mis-delivery despite of their effort to reduce it by penalty system, and decided to join KJC KAIZEN Project. Through close observation of their operation at shop-floor, Assembly Area, where they pick up and assemble necessary goods for each delivery order, was flooded with excess stock, and it was inevitable for workers to make mistake. After many discussions, they managed to change their rules to bring goods from Stock Area to Assembly Area and reduced the stock. Then everybody worked cooperatively for no mis-take work and could reduce mis-delivery very much. With all these activities and result, Inkar received 3<sup>rd</sup> kyu of Practical KAIZEN in FY2016 Project.

2. Banur (Astana, production & sales of ice cream, FY2017 1<sup>st</sup> kyu), Mr. Serik

In FY2016, Banur received 3<sup>rd</sup> kyu with trial of Practical 5S and moving into new factory. While their progress in Hygiene Production at new factory was slow due to constraints of the building, President negotiated hard with the owner of the building and prepared necessary conditions, then everybody worked cooperatively for Hygiene Production. In production, by distributing leader's responsibility to person in charge, everybody becomes interested in working better. In sales, They reduced opportunity loss of daily sales fluctuation by placing additional refrigerator to each shop. They are developing Ownership at each shop by reorganizing sales personnel. With all these activities and result, Banur received 1<sup>st</sup> kyu of Practical KAIZEN in FY2017 Project.

3. Stroyclass (Astana, construction of private tower residence, FY2017 1<sup>st</sup> kyu) Ms. Natasha In FY2016, Stroiclass received 4<sup>th</sup> kyu with strong leadership of Management within 4 months. In FY2017, they overcame shortage of budget caused by unforeseen declining in market due to EXPO by strong leadership of Top Management and everybody's effort. They were working cooperatively under the leadership of Key Persons to "provide happy residents" at Pilot Area Tower #1 by applying "Dandori". With all these activities and result, Stroiclass received 1<sup>st</sup> kyu of Practical KAIZEN in FY2017 Project. In Fy2018, with their strong will to continue their activities, they are now working for Continuous Challenge Program.

4. Transcom/Bereke (Ekibastuz, locomotive repair, FY2017 3rd kyu) Mr. Kanat

Bereke has started renovation of Locomotive Repair Factory and training of personnel as countermeasure for declining major business of car repair due to change of car repair standard. For effective repair of locomotive, good communication between customer (operating side) and Bereke (repair side) and simplified procurement process of necessary parts are necessary. In order to make this possible, taking Engine Repair-shop as Pilot Area, Work Sampling study was conducted to grasp movement of workers and parts for repair. After the study, ideas for effective way of locomotive repair, best conditions and flow production, were discussed and started trial. With all these activities and result, Transcom/Bereke received 3<sup>rd</sup> kyu of Practical KAIZEN in FY2017 Project.

5. Aitas (Ust, sausage and meet processing, FY2017 3<sup>rd</sup> kyu) Ms. Erica

Aitas has been increasing sales in mass-market with low price "local made (meaning fresh product using local materials)". They wanted to increase Production, however, product warehouse was flooded with excess stock with some long staying stock. Moreover, hygiene condition was not good enough. Progress of the project was slow despite of our effort of study and communication. Finally, newly joined Director (experienced Russian practitioner) took actions for putting our proposal in practice. With all these activities and result, Aitas received 3<sup>rd</sup> kyu of Practical KAIZEN in FY2017 Project.

6. Karavai (Ust, production & sales of bread, FY2017 1<sup>st</sup> kyu) Ms. Bibigul

Among 3 factories, Bread, Pastry and Cake, Bread factory was selected as Pilot Area. All of factories were re-using of warehouse of flourmill. With gaps everywhere, flies in summer and cold wind in winter, both are very serious for bread production. The project started to work for improving these poor conditions. Top Management is a man of good understanding and challenge, and worked together with all people form production to sales in order to provide best tasty bread to consumers. The activities at Bread factory showed very good results and disseminated to other factories. With all these activities and results, Karavai received 1<sup>st</sup> kyu of Practical KAIZEN in FY2017 Project in one year. In Fy2018, with their strong will to continue their activities, they are now working for Continuous Challenge Program.

7. Business Excel (Basic skills for effective use of Excel and example applied in Project companies. Ms. Aiym

In KAIZEN Project, we had a lot of experiences of Excel in effective way of Data Collection, Table Design, Analysis, etc. We found not only company staff but also local expert does not have enough skill to utilize Excel and decided Ms. Aiym to compile these skills as Business Excel for local expert to upgrade their skill of consulting.

# **KJC** AS JAPAN BUSINESS CENTER IN KAZAKHSTAN

The aim of the Center is to contribute to the development of human resources of Kazakhstan on the path to a market economy.

The Center organizes professional business management courses, Japanese language courses, and carries out activities aimed at deepening mutual understanding between the peoples of Kazakhstan and Japan.

The Center is open for a wide range of visitors, including students, teachers, entrepreneurs and for anyone wishing to obtain more information about Japan and to participate in the development of cultural relations between the two countries.

# **KJC BUSINESS MAP**



SUPPORTING SMES TO IMPROVE THE PRODUCTIVITY AND THE MANAGEMENT BY VARIOUS BUSINESS COURSES OF KJC

To conduct various coordination to utilize the business course department of KJC and support SME promotion (industry diversification, manufacturing industry promotion) in Kazakhstan

It is said that only 5% of SMEs in Kazakhstan has introduced KAIZEN.(Kaizen Club)

KJC has been requested any advices of next 5 year action plan after Productivity 2020( KIDI or Kazakhstan Center of Industrial Development)

To improve productivity of enterprises in Kazakhstan is one of priority for the government (Ministry of National Economy, Ministry of Investment and Development)

KJC business courses and consulting service including KAIZEN has been highly appreciated (Ministry of National Economy, Ministry of Investment and Development, KIDI, Light Industry Association, many enterprises)

Disseminate the KAIZEN theory to Kazakhstani people and enterprises by standardizing it at national level of Kazakhstan(such as South East Asia ,Africa)



# SUPPORTING B2B BETWEEN KAZAKHSTAN AND JAPAN SMES THROUGH KJC NET-WORK

KJC strengthens its function as a business exchange base with Japan and encourages business promotion with Kazakhstani companies and Japanese companies

KJC has already established a good relationship with Japanese business associations and from time to time KJC is directly requested to conduct business research and make business matching by Japanese enterprises.

KJC and DAMU are discussing how to make use of our customers' information/inquiry in order to success the B2B of SMEs.

Kazakhstan government has not targeted to Japanese SMEs so far due to various reasons. KJC and DAMU could fill in the gap for business promotion of SMEs between Japan and Kazakhstan.



# NEW BUSINESS DEVELOPMENT IN KAZAKHSTAN( SUPPORTING FOR VENTURE BUSINESSES)

Digital Kazakhstan is one of priority policies in Kazakhstan

Kazakhstan government open Astana Hub as a new innovation center to support IT startups in Kazakhstan

To promote industrial diversification with utilizing IT enterprises is an important strategic policy for Kazakhstan depending heavily on extractive industry

IT startup is an industry sector where industryacademia-government collaboration is easy to advance.

Astana Hub expects Japanese accelerators can help them

Many business incubators operate in universities in Kazakhstan, and private business incubator MOST has partnership with Narxoz University.



SUPPORTING YOUNG PEOPLE WHO WANT TO STUDY/SIGHTSEEING/INTERNSHIP/W ORK IN JAPAN

Many students went to learn in Japanese universities through student exchange program until now and some of them are working in Japan.

Recently young people and students in Kazakhstan like to learn not only Japanese language but also other things such as Japan tradition, Japan cuisine, Pop culture etc.

In fact in Japan nowadays many foreigners come to learn various things of Japan.

Japanese government recently decided to open labor market to foreigners because Japan is facing to the aging society and as such many SMEs in Japan are facing to the lack of successors.

Young people in Kazakhstan have lack of opportunities to train and learn various business practical knowledge and experiences.

KJC will support and assist the persons who have an interest to or would like to work in Japan with the uses of net-work such as Internship programs, employment agents, Japan International Training Cooperation Organization(JITCO) etc.

# Enterprises in Kazakhstan

**K|C** 

Japanese language course Study in Japan Fair Internship/employment information

Study in University/ College/ Japanese language school

Work in Japan (Internship/ JITCO/ Employment agents)
## REVITALIZE THE ASSOCIATIONS IN KAZAKHSTAN TO ENFORCE SMES BUSINESS PROMOTION

In Kazakhstan there is National Chamber of Entrepreneurs (ATAMEKEN) that is a representative of enterprises and business society in Kazakhstan

ATAMEKEN is supporting for all enterprises in Kazakhstan but it is said that service to members has not been enough. Of course it is understandable that it is impossible for only ATAMEKEN to provide every services to all members due to the capacity and time limitation.

Therefore it is important for any associations and unions to take care of members and closely communicate to them so that you can understand their problems and help them. Otherwise they will easily lose motive to do business

In the case of Japan, not only Chamber of commerce but also any associations, unions, cooperatives are working closely with members and they are supporting for members.

Mutual understanding and mutual aid spirit (spirit of helping one another) helps SMEs grow up and bring prosperity in Japan



#### **KRJC Business Course Syllabus**

- 1. Information of the module
  - 1) Title of the module: Production and Quality Management (PQM)
  - 2) The target audience: Top and middle Management
  - 3) Participation fee:
  - 4) Period of the module: 8 days

5) Targeted achievement: All participants become familiar with Japanese Production and Quality Management, which will contribute to the improvement of productivity of companies/organizations and quality of products/services in Kyrgyz Republic.

2. Overview of the module

Discuss Production and Quality Management

as much as possible, using many cases from consulting activities and participants' experiences, think how to apply what we discuss to the company/organization of each participant.

3. Lecture profile

Tetsuo Fukuyama completed his undergraduate degree in Administrative Engineering at Keio University. He then joined Kanebo Co., Ltd. (now Kuracie and Kao), where he worked in production management areas for the textile, cosmetics, food and pharmaceutical industries. Tetsuo Fukuyama was then sent by Kanebo to the Georgia Institute of Technology, where he got the master's degree in Operations Research. Later, as a partner at Price Waterhouse, he was in charge of Financial Service consulting, Human Resources and Strategic Management, providing guidance to financial institutions, IT companies and manufacturing companies on strategic and operational areas.

Since starting Truspire in 2001, Tetsuo Fukuyama has provided management consulting to a range of listed companies and SMEs. In addition, he has been working in developing countries, delivering lectures and training courses for business professionals on Strategic Management, Business Plan Development and Production/Quality Management. He also advises SMEs in these countries in both the manufacturing and service industries. His basic approach is grounded in the philosophy and theory of Japanese management methods.

He is also the Team Co-ordinator of the EBRD program to support SMEs in Central Asia.

The countries Tetsuo Fukuyama currently supports with onsite consulting include Laos, Myanmar, Cambodia, Kyrgyz, Kazakhstan, Uzbekistan, Tajikistan, Mongolia, and Palestine.

#### 4. Syllabus

		Form of training member	g and role of BC		Brief Description of	<i>If there are any changes from last</i>
Day & Topic Time	Topic	Lecture & Practice &Workshop etc	Expected moderating role by BC member(if any)	Brief Description of the content	Case study	round, if yes, why and what. Any other remarks
Day 1	Brief of					
1 hour	Overview of PQM Strategy and Operational effectiveness Points in KAIZEN Customer Focus	Lecture	Participants' photo and background information	Both strategy and operations are important to manage the company KAIZEN is bottom-up and top-down.	7-Eleven is now owned by a Japanese company with KAIZEN implementation	
2 hour	Influencing between USA and Japan Strategic view	Lecture		Both Japan and USA are influencing each other in PQM.		
3 hour	Supply Chain Management	Lecture		Trust between supplier and maker is the key in SCM. With trust, production plan is shared with suppliers.	P&G and Wal-Mart: Good case in SCM, Vendor Managed Inventory.	
Day 2	Brief of					
1 hour	Production Planning	Workshop	Manage presentation	Develop production plan in the class.		
2 hour	Quality Control Quality definition Coin toss-up experiment	Lecture Workshop		To understand statistical QC		
3 hour	QC Circle QC 7 tools TQC organization PDCA cycle	Lecture				

Day 3	Brief of					
1 hour	Shop-floor Improvement Industrial Engineering	Lecture				
2 hour	Standardization ECRS	Lecture		Standardization is the key in IE.		
3 hour	5S Elimination of 7 wastes Artificial Leather Factory	Lecture Workshop	Encourage students to do Homework 5S, etc.	Very basic approaches. Apply what they learned in the class.		
Day 4	Brief of					
1 hour	Toyota Production System Basic thoughts Principles	Lecture		All principles of TPS Cost reduction by eliminating wastes		
2 hour	JIT/Kanban Autonomous machine	Lecture		Demo of JIT and Kanban		
3 hour	5 Whys	Lecture		Several principles such as 5 Whys.		
Day 5	Brief of					
1 hour	Toyota Production System Visualization	Lecture		Simple but y\useful principle		
2 hour	Poka-yoke			Simple but y\useful principle		
3 hour	Set-up time reduction Quality at a source Continuous Improvement Critical Success Factors	Lecture Lecture		Simple but y\useful principle		
Day 6	Brief of					
1 hour	Cell method	Lecture			Video: CANON factory Case in China, Case in Russia	
2 hour	BPR	Lecture		BPR= TPS+IT		

3 hour	Exercise: Memo-pad factory	Workshop	Prepare scissors, rulers, color pencils, staplers and waste paper	Apply what students learned to the virtual factory to produce memo-pad from waste paper.	
Day 7	Brief of				
1 hour	PQM in Service Industry	Lecture		PQM could be applicable for any industry.	
2 hour	IT Banking (Lean Banking)	Lecture			
3 hour	Healthcare Supermarket Hotel	Lecture			
Day 8	Brief of				
1 hour	Review and Q&A	Discussion			
2 hour	Review and Q&A	Discussion			
3 hour	Review and Q&A Examination	Discussion Examination	Check		

\* This table serves as an example and can be changed based on the planned number of module days.

5. Required items for use on the module apart from basic sets (white board, lap top and projector)

Projector, Whiteboard, Flip chart, Staplers (8), Rulers (8), Scissors (8), Color pencils (16), A4 waste paper (300)

6. Tasks for preliminary preparation by BC members apart from the ordinal preparation and support, if any.





		chedule/Table of Conter	115		
Time	Session	Торіс	Hour	Lecturer	Page
_	1	- Overview of Production Management	1	Fukuyama	6
Day 1	2	- Supply Chain Management	1	Fukuyama	15
_	Z	- Production Planning	1	Vitaliy	21
Day	3	- Quality Control/Japan Experience	2	Vitaliy/Fukuyama	28
2	4	- Shop Floor Improvement	1	Fukuyama	64
Day	5	- Shop Floor Improvement	- 3	Fully ware of litality	-
3	6	- Shop Floor Improvement	3	Fukuyama/Vitaliy	-
Day	7	- Toyota Production System (Toyota Method)	1	Vitaliy	119
4	8	- Toyota Production System (Toyota Method)	2	Fukuyama	-
Day	9	- Workshop (Memo-pad or Paper plane)	1.5	Fukuyama/Vitaliy	-
5	10	- Cell Method	0.5	Fukuyama	171

	S	chedule/Table of Conten	its		
Time	Session	Торіс	Hour	Lecturer	Page
Day	11	- Business Process Re-engineering (BPR)	2	Fukuyama	181
6	12		1	Fukuyama	-
Day	13			Fukuyama	202
7	14	- PQM for Service Industry	1	Fukuyama	-
Day	15	- Review what we learned/Q & A	2.5	Fukuyama/Vitaliy	-
8	16	- Examination (30 minutes)	0.5	Fukuyama/Vitaliy	-

Intro	duction
Name:	Tetsuo Fukuyama, JICA Expert & EBRD Team Co-ordinator
Company:	Truspire Co,. Ltd. (www.truspire.com)
Business History: Consulting Please write	10 years at a Japanese company- Production Control 14 years at Price Waterhouse- Management 22 years at own consulting companies- Consulting down your:
Name	ə:
Comp	bany:
Indus	stry:
Resp	onsibility:
Produ	ests in uction/ ty Control:







































Exercise:

## Product/Line specification

	Line							
Product	Line 1		Line 2		Line 3			
	units/day	No. of Staff	units/day	No. of Staff	units/day	No. of Staff		
А	5	5	10	3	-	-		
В	-	-	20	5	4	2		
С	10	5	-	-	-	-		
D	20	5	40	10	10	5		
E	10	10	-	-	10	5		

One day necessary for set-up for changing product

rement	ts fron	n Sale
Product	No. of Units	Due date
А	20	5
В	20	10
С	30	5
D	40	3
E	100	10





## **QC: Definition**

Total Quality Control (TQC) may be defined as "an effective system for integrating the quality development, quality maintenance, and quality improvement efforts of various groups in an organization so as to enable production and service at the most economical levels which allow for full customer satisfaction." (A.V. Feigenbaum)
Statistical Quality Control (SQC) is the application of statistical techniques, in all stages of manufacture, toward the most economic manufacture of a product that is maximally useful and has a market. (W.E. Deming)



# Quality definition (Product Quality)

Eight dimensions of quality

- **1. Performance**: a product's primary operating characteristics.
- 2. **Features**: extra characteristics (convenience, high tech., etc.)
- 3. Reliability: consistency of performance, work without fail
- 4. **Conformance**: how well a product corresponds to design specifications.
- 5. **Durability**: the useful life of the product
- 6. **Serviceability**: the speed with which the product can be put into service.
- **7. Aesthetics**: appearance, feels, tastes (Personal judgement).
- **8. Perceived quality**: indirect evaluation of quality (e.g. reputation)

# Quality definition (Service Quality)

Seven dimensions of quality

- **1. Convenience**: the availability and accessibility of the service
- 2. **Reliability:** the ability to perform a service dependably, consistently, and accurately.
- 3. **Responsiveness:** the willingness of service providers to help customers in unusual situations and to deal with problems.
- 4. **Time**: the speed with which service is delivered.
- **5. Assurance:** the knowledge exhibited by personnel who come into contact with a customer and their ability to convey trust and confidence.
- 6. **Courtesy:** the way customers are treated by employees who come into contact with them.
- **7. Tangibles:** the physical appearance of facilities, equipment, personnel, and communication materials.

2

-				
Before		Customer		Cancellation
customer	Connection	Using	After talk	
Services provided	Linkage	Speed	Notices	Follow up
Quick response	Service areas	Stability		
	Loss of call	Delay		
		Voice		
		Reliability		
		Packet delay		
		Packet loss		































**Cause Effect Analysis** 5M (Man, Machine, Method, Measurement, Material)

5M	Description
Man	Cause Factor of In-charge, Management, Partner
Machine	Cause Factor of Machine, Equipment, Tool, Facility, Room, Chair or Table
Method	Cause Factor of Technology, Operation Procedure, How- to-do
Measurement	Cause Factor of Collecting information, Confirming process, Measurement of the result, Measurement tool, Way of Measurement
Material	Cause Factor of Material to be processed






































Tharblig Chart	Therblig	Color	Symbol/Icon	Therblig	Color	Symbol/Icon
Therblig Chart	Search	Black	0	Use	Purple	U
<ul> <li>Therbligs, along with their</li> </ul>	Find	Gray	θ	Disassemble	Violet, Light	#
mnemonic symbols and standard colors for charting	Select	Light Gray		Inspect	Burnt Orange	0
0	Grasp	Lake Red	N	Pre-Position	Sky Blue	ථ
	<u>*Hold</u>	Gold Ochre		Release_ Load	Carmine Red	6
	<u>Transport</u> Loaded	Green	$\checkmark$	<u>Unavoidable</u> <u>Delav</u>	Yellow Ochre	$\sim$
	Transport Empty	Olive Green	$\smile$	<u>Avoidable</u> <u>Delay</u>	Lemon Yellow	<b>د</b>
	Position	Blue	9	<u>Plan</u>	Brown	ß
	Assemble	Violet, Heavy	#	<u>Rest</u> for overcoming fatigue	Orange	گر



### **Principles of Motion Economy** (2/3)**Work Place** There should be a fixed and logical place for all tools and materials, e.g., order of use Tools, materials, and controls should be located close to the point of use to avoid reaching. Gravity feed bins and containers can be used to deliver material close to the point of use. Ð Drop deliveries require minimum effort and time, but can be injuries and create a problem 0 for the next worker. Provisions should be made for adequate conditions for seeing (size, contrast, illumination, Ð movement). The height of the work place and the chair should be arranged so that alternate sitting and standing at work are easily possible. A user adjustable chair of the type and height to permit good posture should be provided for every worker. .







Key: 📃 = Critical path	<pre>&lt;&gt; = N</pre>	Aileston	е	$\vdash$	-	= Sla	ck ti	me		
Install power to new machine			Fel	oruar	y 14t	h (tim	ie of	day)		
Task	Who	mins	٤	9	10	11	12	13 1	4 15	i 16
Power down	HS	0	$\langle$	>						
Remove old fusebox	HS	40								
Install new fusebox	HS	80								
Cut cable channelling	GM	200					+			
Fit cable channelling	HS	140						$\square$		
Lay new cable	HS,GM	120			T					
Connect to fusebox	HS	40						$\square$		
Connect to machine	GM	20			+		1	$\top$	DH	
Power up	HS	0			$\top$	$\top$	$\top$	$\top$	1	>
Test machine	GM	60			+	+	1	$\vdash$		



















5 Fundamental Principles						
In Japanese	In English					
<mark>S</mark> eiri ( <b>整理)</b>	Sorting: Remove unnecessary things. Separate out what is needed for the operations.					
<mark>S</mark> eiton( <b>整頓</b> )	Set in order: Place things in order and make them visible					
<mark>S</mark> eiso( <b>清掃</b> )	Sweep: Tidy up and clean up					
<mark>S</mark> eiketsu( <b>清潔</b> )	Standardize: Keep/maintain your surroundings clean and comfortable					
Shitsuke( <b>躾</b> )	Sustain: Make a custom of practicing the principles					



# Case: 2S (Seiri/Seiton) in Tool Cabinet



- The 2S was implemented in the following procedure:
- \* Classify necessary and unnecessary items. And eliminate all unnecessary items ('Seiri');
- \* Identify and classify necessary item's location, amount, and how to store ('Seiton').

















Sev	en Wastes in Ma	nufacturing (1/2)		
Wastes of	Definition	Frequent phenomena		
Motion	Motion within a local area that does not add value. Difficult	<ul> <li>Searching for materials, components drawings or documents</li> </ul>		
	motion	<ul> <li>Reaching for tools</li> </ul>		
		•Lifting boxes of components		
		Walking away to bring tools to area		
Waiting	Idle time created when people,	•Waiting for parts or drawings		
	materials, information, or equipment is not available when required	•Waiting for information		
		•Waiting for machine repaired		
		•Waiting for people		
Over	Generate more than the	Producing for stock/inventory		
production	customer/next process requires	•Working in large batches to avoid set up		
		<ul> <li>Adding `scrap' allowances</li> </ul>		
Processing	Efforts to create no added	•Unnecessary operations		
	value from the customer's view	•Over-tight tolerance		
	such as rework, reprocessing.	•Bad design		
		•Multiple cleaning		

		nufacturing	(2/2			
Vastes of	Definition	Frequent phe	enomena			
Defects	Not perfect products	•Scrap	•Field failure			
	Processing due to defects,	<ul> <li>Rework</li> </ul>	<ul> <li>Variation</li> </ul>			
	rework, repair or discard.	•Defects	<ul> <li>Missing parts</li> </ul>			
		•Corrective actions				
Transport	Movement between plants or offices or areas that does not	•Moving parts or equipment in and out or storage				
	add to the value of the finished goods or service	<ul> <li>Moving materials from one area to another</li> </ul>				
		•Moving parts between processes				
Inventory More materials on hand that		•Raw materials				
	currently required	•Work in progress				
		•Finished goods				
		•Consumable storage				
		•Off site inventory				

Seven Wastes in Office					
Wastes	Office				
Motion	Search, unnecessary motions without standard operation, Extra data entry				
Waiting	Waiting for signature, specification, document, other people for the meeting Processing once each months instead of as the work comes in				
Overproduction	Preparing extra reports, Reports not used, Multiple copies in data storage, Over ordering materials, Duplication of efforts/reports Extra features, more than the requirements				
Processing	Paper work, Non-value added work				
Defects	Error, mistake, bug, Incorrect data entry, Paying the wrong vendor, Misspelled works in communications Additional operation due to error				
Transportation	Document, message switching, task switching By office layout, position of items				
Inventory	Partially done work, documents waiting for being processed				

















<b>Inventory</b> T-account	Case: Applica • Open e • Input t • Send b	Work tion processing envelope to the system back when mistal to the system	<es< th=""><th></th></es<>	
Open envel	ope	Input to the		
New 500	No mistakes 200	No mistakes 200	Input 200	
Remaining 300	Mistakes 600			
Send back		Input to t	the system	_
Mistakes 600	Sent 200 Not yet send 1,400	▶ Return 50	nput 50	-
Remaining 1,000				105

















































## Vision (& Mission) Statement

### Toyota Global Vision in 2011 "Rewarded with a smile by exceeding your expectations"

- Toyota will lead the way to the future of mobility, enriching lives around the world with the safest and most responsible ways of moving people.
- Through our commitment to quality, constant innovation and respect for the planet, we aim to exceed expectations and be rewarded with a smile.
- We will meet challenging goals by engaging the talent and passion of people, who believe there is always a better way.

#### **Toyota Visionary Management: The Tree Metaphor**

Toyota has employed a tree metaphor-focusing on "roots", "trunk" and "fruit"-in expressing the Toyota Global Vision.

- Roots: Toyota values
- Trunk: Stable base of business
- Fruits: Always better cars, Enriching lives of communities

130


















Kanban		
Withdrawal Kanban		
Shelf No.         5E215         Back No.         A2-15           Item No.         35670S07           Item         Drive Pinion	Preceding Process Forging <i>B-2</i>	
Car Model     SX50BC       No. of Units     Container       20     B     418	Succeeding Process Machining <i>M-6</i>	
Production Order Kanban		
Shelf No.F26-18Back No.A5-34Item No.56790-321ItemDrive PinionCar ModelSX50BC-150	<u>Process</u> Machining <i>SB-8</i>	





















	Batch Production	Through Production		
Processing	<ul> <li>Many works (Pieces)are processed (Lot).</li> <li>Stagnant up to the completion of the Lot.</li> </ul>	<ul> <li>A (One) work (Piece) is processed and transferred to the next process.</li> <li>Series of machines in a line in routing order.</li> <li>Minimum material handling.</li> </ul>		
Facility Layout	<ul> <li>Same type of machines in the same place (Shop).</li> </ul>			
Work-in- Progress	<ul> <li>Between machines, between processes.</li> </ul>	<ul> <li>Zero WIP between machines and processes in principle.</li> </ul>		
Lead Time	<ul> <li>Waiting time is long due to works transportation in batch.</li> </ul>	• Sum of actual processing times of each process is the lead time.		





































- 1. **The management's strong will** • The management need to overcome traditional theory of manufacturing with a strong will when implementing the method.
- 2. "Continuation is Power": shared enthusiasm • The management and the employees have to share and keep the enthusiasm for achieving the improvement they have aimed.
- 3. Spot-Stretch-Spread • First, select a production line to practice the method on its machine or process(spot). Secondly, extend the practice to cover the whole line(stretch) and finally apply the method to all the lines(spread).
- 4. Selection of a Model Team · · · Select a team of competent workers in implementing the method in a model line. Speed and efficiency will be achieved and they can be reliable leaders in the similar tasks in the other lines.
- 5. Small start • Without huge capital investment, utilizing the existing facilities with ideas to improve efficiency.

















(1) Production of wide variety of products with small lot size Comparison between Conveyor and Cell						
	Conveyor	Cell				
No. of Products	6 units/HR	?				
WIP	6 (5) on the conveyor line (OK if the market need. If not, possibility of dead stock.)	?				
Defects (Assuming one is performing poorly)	6/HR	?				
Speed	Worst one's speed	?				
Training	Easy	?				
Market Requirements (Many specs: Matured market)	Difficult to meet (If one spec. for a product, this is not a requirement, and conveyor system will work well.)	?				















## Case: KOMATSU: KOMTRAX

- GPS/Internet
- Machines are geographically dispersed resources.
- Centralized information.
- More than 100,000 in the world.
- Many machines were not moving in China. Then, decrease the production by changing the production plan.





185



PR Principles	
Principle 2: Capture	e information once and at the source.
Principle 3: Link pa	rallel activities instead of integrating their result
Principle 4: Have the process.	nose who use the output of the process perform
TPS: El	imination of Wastes completely
Factory in Toyota	Knowledge-based activities
	N to a set on sheet the second time of the second term
Waiting	No action due to waiting the information
Motion	Useless motion
<del>_</del>	
Motion	Useless motion
Motion Transport	Useless motion Simple messaging, -bring file from cabinet.
Motion Transport Process	Useless motion Simple messaging, -bring file from cabinet. Meaningless business activity, -find the file.









	ansport Order in K-Cosmetics Factory
Before	<ul> <li>10 staff Progress Control Team</li> <li>Calculation of necessary items tomorrow</li> <li>Inform it to warehouse by 4:00 PM</li> </ul>
	Warehouse staff prepared for transporting orders
	• Schedule changes were informed among them.
After	• Every 15 minutes, computer calculates necessary items, amount and time and print out transportation orders to Warehouse and Bulk production process.
	No Progress Control Team (10 staff)
	• Order slip
	Schedule changes are in the computer.









• In • Ur • Ca •	MIS MIS Inderstand w tegorize ev Category A Category B Category C Category D	vorkla vent t : No a : Spel : Edit	bad at a gla to speed up check to pub Il check only required but	ance o pul lish : no s	olishing wit	h cc	onsider	ation o	f precis	seness.	
Journalist	Mon	Cat.	Tue Event	Cat.	Wed Event	Cat.					
Mr. A	<ul> <li>Accident X</li> <li>Interview Z</li> <li>Conference</li> <li>Criminal Y</li> <li>Interview P</li> </ul>	A B C D C	Accident X     Interview Q     Conference2	A B C	<ul> <li>Interview a</li> <li>Conference</li> <li>Interview c</li> </ul>	A B C D					
Ms.	<ul> <li>Accident A</li> <li>Interview B</li> <li>Interview C</li> <li>Interview D</li> <li>Fact finding</li> </ul>	A B C D C	Interview L     Interview M	A B	Interview N	А					
























Item	Point	Cause	Improvement
пет	POIN	Cause	(Case)
Layout	Long distance between teller and cash processing M/C	Layout without thinking of staff movement	Keep moving line, change layout (A Japanese bank)
Rule ECRS	Difficult explanation in slip and process manual	No consideration on use at the site	Clear procedure manual (A Japanese bank)
Time Management Standardization	Progress check only by individual staff	No check by management	Standard schedule (A Japanese Bank)
ECRS	Complaints resolution process	Long (30 days)	8 days (A bank in USA)
ECRS	Open checking account	Long steps (34)	24 steps (Great Western Bank in USA)
ECRS	Paper-less	Document production	Tablet/PC on the desk w/o paper meeting w/o paper (Hokkoku Bank)

	1. Industrial	Engineering	and Lean	Banking
--	---------------	-------------	----------	---------

Item	Point	Cause	Improvement (Case)
ECRS	Paper-less No contract for loan No investigation of the company	No way to meet with the client	Checks by sales data in Yahoo, data of reputation in the internet. (Japan-net Bank)

Item	FQM (CS) and Lea	Cause	Improvement
			(Cases)
Courtesy Assurance	Concierge service in the lobby	Where to go	Less waiting (Many banks)
Convenience	Extension of service hours (Sat, Sun, etc.)	Busy in weekdays	CS (Many banks)
Convenience	Branch in shopping center for retail banking	Time	CS (Shonai Bank)
Convenience	Money exchange in many currencies	Tourists who have several currencies	CS (BoA)
Courtesy	Standing operation for customer		Desk with chair for customer (A bank in Japan)
Responsiveness Reliability	Possible products Big screen	Consultation	CS (Ogaki Bank, SMBC)
Convenience Time	Transaction via Internet	Time to go to the bank	Internet banking (All banks in Japan)
Responsiveness	Management consulting Function of cooperate banking	Not bankable client	Bankable company to provide loan, strong tie (Many banks)





Item	Point	Cause	Improvement (Case)
Seiri/Seiton Thi	ngs in moving line	Put things without thinking of staff movement	Put away: Daily us or not (A bank in Japan)

4.	. Seven Wastes a	nd Lean Banl	king
Item	Point	Cause	Improvement (Case)
Waiting	Customer service (Response time) Use of IT	Claims	Less response time (BoA)
Waiting	Multi-skilled worker Number of tellers (Queuing Theory)	Less tellers than the needs No generalization	Less waiting (SANWA (TMUFJ now))
Waiting	Control queues by simple numbering notices	Who is next, irritating	Less waiting (Many banks in the world)
Waiting	Concierge service in the lobby	Where to go	Less waiting (Many banks in Japar
Processing	Unnecessary reports Output from MIS (IT)	Even not reading	Time, unnecessary work
Defects	Operation manual, Checklist Standardization	Mistake, claims	Less mistakes



T-account	<b>in Office Work</b> Case: Application processing • Open envelope • Input to the system • Send back when mistakes • Input to the system
Open envel	ope Input to the system
New 500	No mistakes 200 ···· No mistakes 200 Input 200
Remaining 300	Mistakes 600
Send back	Input to the system
Mistakes 600	Sent 200> Return 50 nput 50
Remaining 1,000	219

	TPS and Lean	Banking	
Item	Point	Cause	Improvement (Case)
Workflow Automation	IT enabler (Groupware)	Delay of works	Less delay
Through Production	One-piece by one-piece	Batch	Lead time Less WIP
Setup time reduction	-Database for the meetings -Workflow automation	Long preparation	Productive meeting
Poka-Yoke	Checklist	Many small mistakes	Less mistakes
Visualization	Numbering for the queue	Who is the next	CS
Visualization	Signs: ATM/Teller for ordinary transaction/Consultation/FX/	Where to go	Less waiting, less wrong queue



Item	Point	Cause	Improvement (Case)
Centralization	Dealing from the office by use of IT (Order management system)	From non-member to member of TSE	New operations (Securities houses in Japan before 1990)
Centralization	Physical paper documents control (Inventory control system for documents)	Missing documents, when to discard	Where the document is (Daishi Bank)
Workflow Automation	IT enabler	Delay, miss-routing	Less delay
Through Production	One-piece by one-piece	Batch	Lead time WIP
Operational changes	IC tag attached to files of housing loan (long term)	Difficult to find the file especially old one	Quick access to the physical file (Nagoya bank)







	Case: Virginia Mason Medical Center (Virginia Mason Production System: VMPS)
Ho Ye he su sa	roduction" in Health Care by does the term "production" apply to health care? Patients of course are not cars. It both manufacturing and health care are filled with complex production processes. If ealth care these processes include admitting a patient, having a clinic visit or having rgery. These processes should embrace the concepts of quality, safety, customer tisfaction, staff satisfaction and cost effectiveness. The Virginia Mason Production rstem is all about optimizing each of these on behalf of our patients.
•	<u>Shelf of supplies in operation room</u> : Supply from outside, shelf with slope <u>Patient Safety Alert System</u> : Most alert reports are processed in 24 hours. <u>One-Stop Care for Patients with Cancer</u> : Eliminate the need for patients to travel throughout the hospital for chemotherapy by observing their visiting every section, waiting and how treated.
•	Getting Back to Nursing: Cell method (multi-skilled worker, team), supplies in patient rooms
•	<u>Express Treatment in the Emergency Department:</u> Sorting (minimal services with express treatment and extensive ones)
•	<u>Primary Care</u> : Non-direct patient care (e.g. reviewing lab results) in between patients visits, Setting up each exam room identically with needed supplies.
	VAP zero in ICU: Use of standard operation manual and zero defect principle.







2S (Seiri/Seiton) in backyard and <u>Visualization</u>

Place for the specific item is clear by white line.

**Elimination of Wastes** 

- One day <u>inventory</u> when some one in-charge of some item is off.
   Pair system: Two people can handle the item.
- Loading items received to container-> Use container from suppliers to the shop
  - No loading task (unnecessary process)

Through production (not in batch)

- Cut many cabbages and wrap -> Cut one cabbage and wrap

   <u>No transportation (Waste)</u> and
  - Not transportation (waste) and
     Not necessary to put cabbage on the table beside
    - (unnecessary process)



#### Cases

#### **5**S

- Key box, positioning
- Switches for lighting (which switch for which lump)
- Amenity box: easy to missing ones. (Standardized box)

#### ECRS (Eliminate non-value added work)

- 7 wastes
- Eliminate bringing PJ/bathrobe to the room → Guest picks at the lobby (Toyoko inn Cambodia)
- Eliminate setting shaving set → Guest request it at the reception and pick it up. (Airport hotel in Istanbul airport)
- Eliminate counting the number of sheets → Supplier counts.
- Eliminate supplying poster cards and map.

Ca	ase
	ECRS (Simplify)
	<ul> <li>Window cleaning by robot</li> </ul>
	<ul> <li>Supplying only bottle of water to the refrigerator (many hotels)</li> </ul>
	<ul> <li>Supply if guest request.</li> </ul>
	<ul> <li>Eliminate stock counting/control.</li> </ul>
	<ul> <li>Eliminate complaints on the stocks</li> </ul>
	<ul> <li>Assuming many convenient stores and supermarket close to the hotel.</li> </ul>
	<ul> <li>Use of load carrier.</li> </ul>
	Use backpack type cleaner (Battery, no power source cord)
	<ul> <li>Use of robot cleaner (Rumba)</li> </ul>
	Use of IT: Communicate by 'Line' (Internet) with 'Already read'
	<ul> <li>Use of IT: Daily report in excel (not hand writing)</li> </ul>
	<ul> <li>Coffee machine: Guest handles.</li> </ul>
	<ul> <li>CRM: Input customer's preference (Sake, food, etc.) to Tablet (Zinya with 100 years history)</li> </ul>
	<ul> <li>Reservation system (Zinya with 100 years history)</li> </ul>
	• Reservation system (Zinya with 100 years history)

#### Cases

- TPS: Multi-skilled worker: very common.
  - Skill map
    - Visualization: Who can do what.
    - Discussion between staff (own evaluation) and manager on the skill map.
  - Standardization
  - Add favorable job (e.g. sweeping) after counselling (Zinya)
- TPS: Visualization
  - Remote control for air-condition/telephone in English language

#### TPS: Poka-yoke

- Manual for training
- Checklists
- TPS: Standardization
  - Sweeping manual.



## Cases

- Discuss on who are the target customers (Hoshino Resort)
  Family?, Ladies?
- Which shops are necessary?
  - High-grade shops without customers
  - Money exchange
  - Travel agents/rent-a-car
- Business center functions could be limited now.
- Breakfast is so important?
  - Think about something which could be eliminated.
- Amenity
  - Selective: Only good ones
  - Eliminate unnecessary ones (e.g. comb)
- Gift shop (products made in Cambodia)
- Wedding ceremony at the chapel (Western style)
- Stop telephone messaging system?
  - Difficult for guests: Language







-	1. О£ь тог Operators: Overall Equipment Effectiveness Общая эффективность оборудования Переводчик <u>Инга Попеско</u>
	Редактор <u>Вячеслав Болтрукевич</u>
	Издательство: Институт комплексных стратегических исследований
	Серия: Производство без потерь
	ISBN 978-5-903148-23-3, <u>1-56327-221-0</u> : 2007 r.
	2. Кайдзен для рабочих — Kaizen for the Shopfloor
	Переводчик Инга Попеско
	Редактор Вячеслав Болтрукевич
	Издательство: Институт комплексных стратегических исследований
	Серия: Производство без потерь
	ISBN 978-5-903148-21-9, <u>1-56327-272-5;</u> 2007 г.
	3.
	Производство без потерь для рабочих Identifying Waste on the Shopfloor
<i>€</i> )),	Переводчик Инга Попеско
	Редактор Вячеслав Болтрукевич
	Издательство: Институт комплексных стратегических исследований
	Серия: Производство без потерь
	ISBN 978-5-903148-08-5, <u>1-56327-287-3</u> ; 2007 r.
1/3	2012/11/02 17:
, p	4.
	Переводчик Инга Попеско
c 37	Издательство: Институт комплексных стратегических исследований
	Серия: Производство без потерь
	ISBN 978-5-903148-20-2, <u>1-56327-269-5;</u> 2007 г.
	Дополнительные характеристики
	5.
	Быстрая переналадка. Революционная технология оптимизации
	производства
	A Revolution In Manufacturing: The SMED System
	Автор: Синео Синго
	Переводчик <u>Э. Башкардин</u>
	Издательство: <u>Альпина Бизнес Букс</u> Серия: <u>Модели менеджмента ведущих корпораций</u>
	Серия. <u>Модели менодикмента ведущих корпорации</u> ISBN 5-9614-0252-5; 2006 г.



# **KRJC Business Course Syllabus**

- 1. Information of the module
  - 1) Title of the module: Business Plan Development
  - 2) The target audience: Top and middle Management
  - 3) Participation fee:
  - 4) Period of the module: 9 days (30 hours)

5) Targeted achievement: All participants become familiar with the frameworks to develop business plan. Output of the course is a draft of business plan of the participant's company.

2. Overview of the module

14 frameworks are introduced: 1) Company name, 2) Corporate philosophy, 3) 4Cs, 4) Positioning (X-axis, Y-axis), 5) Value, 6) SWOT, 7) Strategy, 8) Marketing, 9) CSFs, 10) Organization, 11) Strategic partners, 12) Business flow, 13) List of assumptions and 14) Financial projection. Then each framework is used in a team in workshop.

3. Lecture profile

Tetsuo Fukuyama completed his undergraduate degree in Administrative Engineering at Keio University. He then joined Kanebo Co., Ltd. (now Kuracie and Kao), where he worked in production management areas for the textile, cosmetics, food and pharmaceutical industries. Tetsuo Fukuyama was then sent by Kanebo to the Georgia Institute of Technology, where he got the master's degree in Operations Research. Later, as a partner at Price Waterhouse, he was in charge of Financial Service consulting, Human Resources and Strategic Management, providing guidance to financial institutions, IT companies and manufacturing companies on strategic and operational areas.

Since starting Truspire in 2001, Tetsuo Fukuyama has provided management consulting to a range of listed companies and SMEs. In addition, he has been working in developing countries, delivering lectures and training courses for business professionals on Strategic Management, Business Plan Development and Production/Quality Management. He also advises SMEs in these countries in both the manufacturing and service industries. His basic approach is grounded in the philosophy and theory of Japanese management methods.

He is also the Team Co-ordinator of the EBRD program to support SMEs in Central Asia.

The countries Tetsuo Fukuyama currently supports with onsite consulting include Laos, Myanmar, Cambodia, Kyrgyz, Kazakhstan, Uzbekistan, Tajikistan, Mongolia, and Palestine.

## 4. Syllabus

D	Topic	Form of training and role of BC member			Brief Description of	If there are any changes from last	
Day & Time		Lecture & Practice &Workshop etc	Expected moderating role by BC member(if any)	Brief Description of the content	Case study	round, if yes, why and what. Any other remarks	
Day 1	Brief of						
1 hour	Overview of Business Plan	Lecture	Participants' photo and background information				
2 hour		Lecture					
3 hour		Lecture					
Day 2	Brief of						
1 hour	Framework Company name, Corporate Philosophy	Lecture			Honda, Trusoire		
2 hour	4Cs, Positioning/Differentiation	Lecture		Positioning the business by two dimensions	Media (Sony) CJCC Economic crisis situation		
3 hour	Positioning/Differentiation Value for Customer	Lecture			Garage PPM Morinaga Hokuriku System, and so on		
Day 3	Brief of						
1 hour	Information gathering	Lecture					
2 hour	Group discussion and presentation	Workshop	Organize several teams	Discuss the company selected by team members			
3 hour	Group discussion and presentation	Workshop		Vision, Mission, Credo, Positioning, 4Cs and Value			
Day 4	Brief of						

1 hour	Group discussion and presentation	Workshop		Vision, Mission, Credo, Positioning, 4Cs and Value		
2 hour	Corporate Philosophy (Vision, Mission, Credo), Positioning, 4Cs and Value	Presentation	Manage the presentation			
3 hour	Corporate Philosophy (Vision, Mission, Credo), Positioning, 4Cs and Value	Presentation				
4 hour	SWOT analysis	Lecture				
5 hour	Strategy Marketing	Lecture		Use Strength, minimize Weakness, catch opportunities and prevent/hedge Threat Pair approach	Viswill Cosmetic company in Palestine UKCP	
6 hour	SWOT analysis Strategy Marketing	Workshop, group discussion				
Day 5	Brief of					
1 hour	CSFs (Critical Success Factors)	Lecture		Automotive industry, Software business, Supermarket		
2 hour	Organization, Strategic alliance	Lecture				
3 hour	CSF, Organization, Strategic alliance	Workshop, Group discussion				
Day 6	Brief of					
1 hour	SWOT, Strategy, Marketing, CSF, Organization, Strategic alliance	Presentation and discussion				
2 hour	SWOT, Strategy, Marketing, CSF, Organization, Strategic alliance	Presentation and discussion				
3 hour	Business Flow	Lecture				
Day 7	Brief of					
1 hour	List of Assumptions	Lecture				
2 hour	Financial projection/Simulation	Lecture			Juice production Building rent	
3 hour	All frameworks	Workshop, Group discussion				
Day 8	Brief of					
1 hour	All frameworks	Workshop, Group discussion				
2 hour	All frameworks	Workshop, Group	Mange group			

		discussion	discussion		
3 hour	All frameworks	Workshop, Group discussion			
Day 9	Brief of				
1 hour	Preparation for the presentation	Workshop, Group discussion			
2 hour	All frameworks	Presentation and discussion			
3 hour	All frameworks	Presentation and discussion			





Time	Session	Торіс	Page
Day 1	1,2	Overview of Strategic Business Plan	6
	3	FW-1: Company name FW-2: Corporate Philosophy	27
Day 2	4	FW-3: 4Cs FW-4: Positioning/Differentiation FW-5: Value	50
Day 2	5	Information gathering / Backup	78
Day 3	6	Workshop: Vision, Mission, Credo, X-Y, 4Cs, Value	_
Day 4	7	Workshop: Vision, Mission, Credo, X-Y, 4Cs, Value	_
	8	Presentation of FW-1, FW-2, FW-3, FW-4, FW-5	
	9	FW-6: SWOT, and other analyses FW-7: Strategy FW-8: Marketing	85
	10	Workshop: SWOT, Strategy, Marketing	-

Time	Session	Торіс	Page
Day 5	11	FW-9: CSF, FW-10: Organization, FW-11: Strategic partners	129
	12	Workshop: CSF, Organization	
Day 6	13	Presentation SWOT, Strategy, Marketing, CSF, Organization	_
•	14	FW-12: Business Flow	145
Day 7	15	FW-13: Assumptions FW-14: Financial projection/Simulation	151
-	16	Individual discussion on the business plan	-
	17		
Day 8	18	Individual discussion on the business plan	-
	19	Preparation for presentation	163
Day 9	20	Presentation/Evaluation	

# Introduction

Name:	Tetsuo Fukuyama, JICA Expert & EBRD EGP Team Coordinator
Company: Business History	Truspire Co,. Ltd. (www.truspire.com) 10 years in a Japanese company- Production control : 14 years in Price Waterhouse - Management Consulting 23 years in own consulting companies- Consulting
Please w	rite down your:
Nam	e:
Com	ipany:
Indu	stry:
Res	ponsibility:
Inter	ests in Business Plan:

# <section-header><section-header><section-header><section-header><section-header><section-header><section-header><section-header><section-header>

6





# **Document Structure**

- Primary Sections of a Business Plan
  - Executive Summary
  - Business Concept
  - Industry & Market Analysis
  - Customer and Marketing
  - Technologies
  - Operations
  - Management and Organization Plan
  - Assumptions and Financial Appraisal

## Why you, Why now, Why me

1.1	Business Overview	
1.2	Vision	
1.3	Mission	
1.4	Value Proposition - Financial	
1.5	Value Proposition - Social, Environment	al, and Economic
1.6	Critical Success Factors	
1.7	Current Status	
2. Mai	rket Opportunity	
2.1	Market for Organically Grown Cotton	
2.2	Market for Socially Conscious Goods	
2.3	Market for EarthlyTouch Products	
2.4	Target Customer Segment	Case:
2.5	Competition	
3. Sol	ution to the Market	Social Entrepreneur
3.1	Product Concept	
3.2	Product Line	Organic T-shirts
3.3	Distribution Channels	······································
3.4	Organizational Structure	Table of Contents
3.5	Manufacturing of Products	
3.6	Logistics and Distribution	
. Ma	rketing Plan	
4.1	Marketing Programs	
4.2	PR Programs	
5. Ma	nagement Team	
5.1	0	
5.2	Board of Advisors	
	,	
6.1	•	
6.2	-	
7.1		nd Economic
7.2	. ,	
B. Fur		

Vis	ual Inspection System	
Application tablets	Uncoated, film-coated, sugar-coated tablets with printed mark on one or both sides; scored tablets; tablets with engraved mark	
Tablet size	Round tablets: 5-12 mm in diameter and 2-8 mm in thickness Shaped tablets: 5-12 mm in width, 2-8 mm in thickness, 5-21 mm in length Non-standard shape tablet is also applicable. Non-standard shape tablet is also applicable.	
Inspection items	Dirt, scratch, adherence of foreign particle, crack, chip, deformation, different color, discoloration, scratchy print, blurred print, hair, mottled tablet, etc. (Algorithm to improve inspection accuracy has been added.)	Tablet automated visual inspection system 1. Hopper 1. Hopper
Inspection surfaces	Face, back, and side	2. Vibratory feeder 12.Face 2 optical unit (Optio 3. Flow-control turntable 13.Face 4 optical unit (Optio
Inspection accuracy	Defects equivalent to a 50 $\mu\mathrm{m}^2$ or larger black speck	4. Height&width gate     5. Disc conveyor unit     6. 1st belt conveyor unit     15. Rejection unit     16. Defective tablet collecting
Processing capacity	350,000 tablets/hour (actual value; dia. 6 mm).The value according to the size and shape of tablets,	<ol> <li>2<sup>nd</sup> belt conveyor unit</li> <li>17. Uninspected tablet collec</li> <li>8. Side ½ optical unit</li> <li>9. Side ¾ optical unit</li> <li>19. Face 1 optical unit</li> <li>19. Deace 1 optical unit</li> </ol>

#### Case: Business Plan 2012 Table of Contents - Visual Inspection System Company

- 1. Management Environment
- 2. Business Policy
  - 1. Perspectives and Management Issues
  - 2. Target of Year 2012
  - 3. Current Situation
  - 4. Segmentation of Visual Inspection
  - 5. Strategy
- 3. Market Analysis
  - 1. Domestic Market
    - 2. Overseas Market
    - 3. Market Trends
    - 4. Sales Trend
- 4. Customer Analysis
  - 1. Customer Needs
- 5. Competitive Analysis
  - 1. Competitors
  - 2. Comparison of Competitors' Products

- 6. Basic Technologies and Future
  - 1. Basic Technologies and Applications
  - 2. Production Process and Technology
  - 3. Major Parts and Suppliers
  - 4. Issues of Technologies and Development Plan
- 7. Marketing
  - 1. Products Plan
  - 2. Products Structure
  - 3. Channels
  - 4. Pricing
  - 5. Promotion
- 8. Business Partners and Organization
- 9. Target and Plan
- 10. Financial Appraisal
  - 1. Cost Structure
  - 2. Investment Plan



From Business Plan to Business	
<commitment business="" the="" to=""></commitment>	
• Eagerness to the business, enthusiasm and self-confidence	
<ul> <li>Ambitious sprit, absorbing ability and flexibility.</li> </ul>	
<ul> <li>Leadership, communication skill, ability to deliver, and involvement of others</li> </ul>	
< Implementation of the business>	
<ul> <li>Once you set a business plan, you have to manage to implement it as much as possible.</li> </ul>	
<ul> <li>You have to be accountable on implementing a business plan to your investors.</li> </ul>	
Never give up!	























# (FW-1) Company Name

- Honda
- Truspire
- Your company name?








## **Vision - Case**

- **HP:**"winning e-company with a shining soul";we believe that diversity and inclusion are key drivers of creativity, innovation and invention.
- **JIN (Eye glass):** Provide all people who wear eye-glasses with clear sight and good looking ones in the least and the most appropriate price.
- Facebook: Mark Zuckerberg

Make the world open, beyond the border, beyond the race and beyond the religion.

LJI

To be number one business management and Japanese language Institute in Laos and becoming the hub for cultural and intellectual exchange in the region.

### Eathlytouch

### Increase US consumers' awareness of social issues and provide a way for consumers to contribute in tackling environmental issues of cotton production and community issues of organic cotton growing countries

31

## Vision (& Mission) Statement

### Toyota Global Vision in 2011 "Rewarded with a smile by exceeding your expectations"

- Toyota will lead the way to the future of mobility, enriching lives around the world with the safest and most responsible ways of moving people.
- Through our commitment to quality, constant innovation and respect for the planet, we aim to exceed expectations and be rewarded with a smile.
- We will meet challenging goals by engaging the talent and passion of people, who believe there is always a better way.

### **Toyota Visionary Management: The Tree Metaphor**

Toyota has employed a tree metaphor-focusing on "roots", "trunk" and "fruit"-in expressing the Toyota Global Vision.

- Roots: Toyota values
- Trunk: Stable base of business
- Fruits: Always better cars, Enriching lives of communities









## **Mission - Case**

- AVIS Rent-A-Car
  - Our business is renting cars. Our mission is total customer satisfaction.
- American Red Cross
  - <u>The mission</u> is to improve the quality of human life; to enhance self-reliance and concerns for others; and to help people avoid, prepare for, and cope with emergencies.
- LJI
  - LJI will continue to improve and carry out its human resource development and intellectual/cultural exchange activities with high quality which meet society demand at all time.
- Earthlytouch
  - Design high quality garments made of organic cotton grown in Uganda, and market them in the United States with emphasis on promoting awareness of environmental and community issues















## Credo - Case

- Company K
  - Humanitarianism based on "Love" and "Justice"
  - Service to society/nation
  - Scientific rationalism

## **Case: Culture Convenience Club (CCC)**

Started in 1982 as record rental. Sales: Yen240billion, Profit: Yen14billion, 40 million members, 1,400 DVD, etc. shops (now, non-listed company)

### • Vision: The culture Infrastructure that CCC creates.

In response to our holographically changing times and lifestyles, CCC develops "culture infrastructure," the mechanisms that bring more joy and happiness to people and society through all phases of living, by continually offering new "lifestyle recommendations" via retail stores, online services, card services, and one-to-one marketing services to those people who have "My Style," or a sense of individuality.

### Mission

People have started seeking a sense of individuality or "My Style" through entertainment selected from among books, movies, and music, and across various lifestyle settings like shopping, driving, pets, cooking and travel. Our planning adds color to uneventful, everyday living. Across all kinds of lifestyle settings at places that allow, CCC presents a broad selection and services to people that are conscious of "My Style."

- Credo
  - promises
  - gratitude

46

## Exercise

• How to cope with criminals in the company?

### 47

## (FW-3) 4Cs

### Please define your:

Company	General information such as size of the company
Customer	
Competitor	
Channel	









































# Value for Customer – Case: Askul -

Established in 1993 as a mail order department of a stationery mfr PLUS (the second largest in the market), and span out in 1997.

<Market background>

- The top share company monopolized the network channel; focused on wholesales to small retailers and direct sales to big customers.
- <Askul Strategies>
  - Setting SMEs as their main customer, and exploited new market.
  - Establishing fast delivery network as its name "Askul" suggests.
    (=meaning "coming tomorrow")

<Value for customer>

- Less stock of stationeries.
- "Fast, reliable and cheap with broad assortment."
- Rising needs for the other mfrs' products.
- ⇒ Prioritizing service improvement. Handles of other products led its rapid growth. Sales USD 2.3 billion (2015)







## **Strategic Lessons learned from Webvan**

Case: Webvan (4/4)

### Focus on how value will be created.

WebVan focused on the technical aspects of online ordering and home delivery. They didn't have a good enough idea of how their potential customers would realize <u>value</u> from them.

### Stress higher margin products.

Since the focus on grocery items was very low margin, the potential for profit was small. They should have included a product mix that included higher margin products from the outset.

### Define what motivate the customers to buy your goods/services.

Especially after the economic bubble burst, people are not willing to pay a premium for internet shopping and home delivery. In fact, the motive for internet shopping was lower price. Webvan needed to focus on cost savings for its customers rather than convenience.

### Look for partners to share capital investments and costs.

WebVan should have tried to leverage other distribution systems or find more ways to share its intensive capital and labor investments with other companies seeking such a delivery network. Because WebVan was able to raise a lot of capital during the .com boom, they assumed they could do it alone.

### Provide for actual display of products.

Shoppers want to actually see what they are buying. Safeway Stores, a major grocery supermarket chain, now has the capability to take online orders for home delivery. But, people can come to the store to see the general quality of what they are buying. It will be interesting to see how Safeway will do in this business.

73

## Value

- Panasonic: Pana-Station
  - Delivery, Installation, Guidance of the electric appliance
  - Any time to go.
  - Target segment=Aged people

### Aoyama Flower Market Co., Ltd

- Proposal of life with flower
- Pretty bouquet



Level	Description	Competitor s	Difference
Character	Essence in one word		
Value	Customer's benefit		
Specificatio n	Attribute		

# **Information Gathering/ Backup**

## **Fact finding**



## **Information gathering (Internal)**

- Collect internal information
- For existing company's business plan (ex. 3-year plan)
  - Organization chart
  - Company brochure
  - Financial figures (last 3year P/L and B/S)
  - Product/service catalogue (information)
  - Operation sites
  - Competitors
  - Plan (production, sales)
  - Market, market share, customers
  - Suppliers
  - List of shareholders

## **Information gathering (Primary Source)**

- Questionnaire
- Interview/hearing (by two people)
- Group interview
  - Less than 10 people
  - Facilitator
  - Note taker
  - (Magic mirror)
- Research
  - Full scale
  - Quick
- Legman

80



## **Case of no statistics**

Case: Market size

- Feasibility Study/Business plan on 'Plastic Metallization' in Saudi Arabia
  - No data of the market of 'Grill Type Louvers'
  - To estimate the market:
    - Import data of fluorescent, hot cathode discharge lamps (ton) + 250 grams per lamp averagely
    - Used study of the market of fluorescent fixture by Ministry of Finance and National Economy, 'A Guide to Investment Opportunities'.
    - Used information on Building Permits to estimate fluorescent lightning fixture + Lightning fixture per square meter
    - Visited shops.
    - Interviewed hotel operation manager where I stayed.
    - Estimated % of lighting fixture with louvers or diffusers.
    - Estimated % of non-metallic diffuser
      Size of the target market
    - Estimated % of grill type louvers












































Sum	mary Statement	
Who	Customer	
What	Products, services	
Why	Value for the customer	
	(Why they buy, Why you do the business)	
When	Timing, Time span	
Where	Channels	
Whom	Tie-up with whom (partnerships)	
How	How many, how much	
How	How to organize the business (operation, business process)	



Weakness
•Line up •Few engineers know the clients'
sites.
Threat
•Copy products
•FX risk
•Spin-off of visual inspection section
from pharmaceutical companies



To keep	o ( <mark>Strength</mark> )
-No.1	· <i>r</i>
To mini	mize (Weakness)
-shor	ten the distance to the clients,
To take	(Opportunity)
-reta	in users (M) who will be expanding,
To hedg	ge ( <mark>Threat</mark> )
-com - FX ו	petition by user's visual inspection division and their spin-off, isk.

Strength	Weakness	
Quality Natural raw materials Strong R&D and Know how Experience Health Certificate Direct Distribution Channels	<ul> <li>HR (Marketing Team )</li> <li>Variety (internal competition between many products)</li> <li>The Company Name and Brand names</li> <li>Inconsistence of Colors in brands</li> <li>Lack of Market and Competitors Knowledge</li> <li>Lack of Marketing Strategy</li> <li>Brand Building</li> <li>Low Market Share Especially in North West Bank</li> <li>Low usage of the production capacity (20%)</li> </ul>	
Opportunity	Threats	
Regional Market Growth of Halal Market in the world Cosmetic demand in Gulf countries Consuming made is Palestine Products	<ul> <li>Competition with Chinese &amp; (Israeli Products?)</li> <li>Selling Functional Cosmetics which causes skin problems</li> <li>Instability of Political Situation</li> <li>Access and Movement</li> </ul>	















### **Exercise** SWOT Analysis – Distributor of pipes: Company Z

Strength	Weakness	
<ul><li>Logistics</li><li>Direct sales (own retail shops)</li></ul>	<ul><li>Stock shortage</li><li>Staff capability</li></ul>	
Opportunity	Threat	
<ul><li>Construction/Agriculture market</li><li>Regions (less competitive)</li></ul>	<ul> <li>Economic crisis</li> </ul>	

Pairing S/W/O/T

- S (Logistics)/ T (Economic crisis)
- W (Staff capability)/ T (Economic crisis)
- W (Stock shortage)/ O (Construction/Agriculture market)
- W (Stock shortage)/ O (Regions (less competitive))





			mers and C	
	Product		Channel (	(Place)
	Price			
	Promotion	1		
	Price			
	Promotior	1		
	Price			
	Promotion	1		
Р	roduct	Price	place	promotion

		1	
Company origin	Market to	Characteristics Remarks	Trend
Japan	Japan		
	Overseas		
EU/USA	Japan	Segm	entation
	EU/USA		
Korea	Japan		
	Korea		
China	Japan		
	China		
India	Japan		
	India		
Others	Japan		
	Damaatia		

<ul> <li>Define your (channel) th</li> </ul>	<b>Channel, Pro</b> target market, ere. House Frangi	and examine	how to reach
Channel	Opportunity	Commission	Target Customer
Travel Agent	Traveller	Yes	
Travel Spots	Traveller	No/Yes	
Embassy	Visitor	No	
NGO/ODA	Visitor	No	Foreign
Hotel	Customer over-booked	Yes	Businessman
Guest House	Customer over-booked	Yes	
Mouth-of-	Society	No	1



# Marketing (4ps): Case-Disposable diaper company

Product	Price	place	promotion
Standard items (such as Lucky Baby)	Lower than Pampers (Competitive pricing)	Current direct channels Hospitals	Words of mouth Gift to a new born baby in hospital Each mother tells another
Standard items (such as Lucky Baby)	Lower than Pampers (Competitive pricing)	Indirect channel (Wholesaler) in Saudi Arabia	Partner program
Premium items	Same or higher price than Pampers	Current direct channels	Social media
Sanitary	1 <sup>st</sup> stage: lower price	Current	Social media





# **Operations Assumptions / Financial Appraisal**

- (FW-9) Critical Success Factors (CSFs)
- (FW-10) Organization/Management Team
- (FW-11) Partners (with Whom)
- (FW-12) Business Flow
- (FW-13) Assumptions in a Business Plan
- (FW-14) Financial Appraisal













# Lee Iacocca and CSFs

- In Ford
- Started his career with sales: Dealer Quality
- Then, Mustang: Styling
- In Chrysler
  - Hired capable staff with MBA : Cost Control
  - Then, TV commercial showing himself: Image up
  - Borrowed money from the US government (Jimmy Carter): Cash















# **Organization for Start-up**

- When you start a business, organization should be as compact as possible.
- According to expansion of the business, organization should be arranged.
- One boss to report

Organization for start-up stage Sales /Marketing President Administration Accounting

141

Management team

- How would be a management team? How often do you have meeting (formal)?

- How to make a final decision of the company?





Coc	o, Organic T chirte company	
Cas	e: Organic T-shirts company	
		_
	Management Team Chief Executive Officer	_
	Masahiro Endo	
CEO	6 years experience in management consulting	
CEU	Authored white paper on for Japanese Ministry of Foreign Affairs (1999)	
	Co-founder of Truspire Co., Ltd. a management consulting firm in (2001-2005)     MBA candidate, The Paul Merage School of Business, UC Irvine (2005-)	
	Bachelor of Arts, Government, The of at (1997)	
	Chief Financial Officer	-
	CM	
CFO	<ul> <li>4 years of account management in telecommunications equipment industry</li> <li>Financial Analyst Intern, Gateway, Inc (2005)</li> </ul>	
	MBA candidate, The Paul Merage School of Business, UC Irvine (2005-)	
	Bachelor of Arts Honors Economics, Minor Information and Computer Science, UC Irvine (2005)	
	Chief Marketing Officer	
СМО	<ul> <li>5 years experience sales/marketing management in apparel industry</li> </ul>	
CIVIO	Co-founder/Business Manager of Fyasko, an urban fashion apparel	
	MBA candidate, The Paul Merage School of Business, UC Irvine (2005-)	
	Bachelor of Arts Honors, Business/Finance, (2001)     Chief Operating Officer	_
000	KT	
COO	3 years timeline and risk management-mortgage servicing loans in default	
	MBA candidate, The Paul Merage School of Business, UC Irvine (2005-)	
	Bachelor of Business Administration, The (2000)     Board of Advisors	-
	Executive Advisor	-
Advicor	JS	
Advisor	30+ years in apparel and textile industry	
	25+ years of consulting experience     Management experiences at Levi-Strauss and Sears	
	Executive Advisor	-
	YK	
	40+ years in apparel and textile industry	
	20+ years in managing garment factory in	

# (FW-11) Strategic Partners (With Whom)

Area	Partner	Why	Relationship
Management			
Marketing/Sales			
Technology			
Administration			
Purchasing			
Production			

Here, 'Partner' means organizations/persons outside the company to support the company.













(FV	<b>N-</b>	13) A	SSI	ımı	otic	ons	in a	a B	usi	nes	s P	lan	l	
possib	le.	NS with oductio				nptio	NS:	List u	ip as	sump	otions	s as r	nany as	-
		Year	1	2	3	4	5	6	7	8	9	10		
		А												
	roc	В												
	Products	С												
		D												
- No. of - Expens - Investr	ses: nent	Fixed: Er m Variable t – Finan estment	mploy narket : Rav sub icing items	ting, i v mat contr (Capit (Nev	ntere erials acting tal, Lo v fact	st, et , utili <sup>;</sup> g, etc pan) ory?,	c. ties, c :. New	lirect shop	expe ?, Ne	nses, w faci			ire,	
- Many c	other	-Clari assumr			eas a	nd hc	w mu	ich yo	ou in∖	vest.				1







Pr	oduction of fruit juice
Th	ere are many assumptions:
	Cash base transaction (not credit base)
	A/P, A/R and inventory are not counted.
•	Equity/Loan:
	One year construction, not full production in the second year
	Price: 40 cents/unit
٥	Raw materials cost (Water, Ingredients, Flavor, etc.) : 15 cents/unit
•	Direct labor cost: 4cents/unit
•	Indirect labor cost: US\$60,000/year
	Loan interest rate: 8%
	Depreciation of the facilities: 10 years
•	Income tax: 30%
•	Loan: 10 years
	-

# **Financial Appraisal**

# Example; simple P/L and Cash flow

Juice	Production											
nption	(US\$) Item	1	2	3	4	5	6	7	8	9	10	1
npuon		100.000	2	3	4	5	0	/	0	9	10	
	Investment	70.000										
	Equity Debt	30,000										
	Construction	30,000										
	Operation		Ļ									
	Operation											
	Production (Unit)		350.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	45
	Revenue		140,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	18
	Production cost		138,900	157,660	157,420	157,180	156,940	156,700	156,460	156,220	155,980	15
	Raw material		52,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	6
0.04	Direct labor cost		14,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	1
	Indirect labor cost		60,000	60.000	60.000	60,000	60,000	60.000	60.000	60,000	60,000	6
0.08	Interest payment		2,400	2.160	1,920	1.680	1,440	1.200	960	720	480	
10	Depreciation		10.000	10,000	10.000	10,000	10,000	10.000	10.000	10.000	10.000	1
	Profit before tax		1,100	22,340	22,580	22.820	23,060	23,300	23,540	23,780	24,020	2
0.3	Income tax		330	6,702	6,774	6,846	6,918	6,990	7.062	7,134	7,206	
	Profit after tax		770	15.638	15.806	15,974	16,142	16,310	16.478	16.646	16.814	1
	Cash in	100.000	10,770	25.638	25.806	25,974	26,142	26,310	26.478	26,646	26.814	2
	Profit after tax		770	15.638	15.806	15,974	16,142	16.310	16.478	16.646	16.814	1
	Depreciation		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	1
	Cash out	100,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
	Investment	100,000										
	Repayment		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
	Free cash		7,770	22,638	22,806	22,974	23,142	23,310	23,478	23,646	23,814	2
	Loan	30,000										
	Repayment		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
	Outstanding	30.000	27.000	24.000	21.000	18.000	15.000	12.000	9.000	6.000	3.000	

(US\$) Year		at BEP	10% Growth	20% Growth				
Y ear Construction		1	2	3				
Operation					<b>T</b>   <b>D</b>   <b>E D</b>			
Production (Unit)					To know Break Even Point is			
Revenue	0.40							
Production cost	0.40				better.			
Raw material	0.15							
Direct labor cost	0.04							
Indirect labor cost	0.04							
Depreciation	10Years							
Interest payment	8%							
Net Profit								
Income tax	30%							
Net Profit								
Cash in	100,000							
Captal contribution	70,000				·			
Loan	30,000				Note			
Profit after tax					1 Planning Targets			
Depreciation								
Cash out	100,000				<ul> <li>1st Year: Plan to operate at Break-Even Point</li> </ul>			
Investment	100,000				<ul> <li>2nd Year: A 10% growth in production and sales</li> </ul>			
Repayment					3rd Year: A 20% growth in production and sales			
Net cash flow	0							
Cash balance	0				2 Simplification			
Investment	100,000				<ul> <li>Ignore income tax in the planning; regard profit before tax as net profit</li> </ul>			
Total assets	100,000				· Calculate interest payment by multiplying outstanding loan by interest rat			
Loan	30,000							
Repayment					(not based on average balance of the loan)			
Outstanding	30,000				<ul> <li>Regard interest payment as fixed cost</li> </ul>			
Contributed captal	70,000				No work on cash flow			
Retained earnings	0							
Total liabilities & equity	100,000				<ul> <li>No work on balance sheet items</li> </ul>			



### Case study: Building rent business -TOP Comfort

- Company name: From nickname of son and `comfortable'
- **Company President's mother is the owner of the land.**
- **Land is in the center of Vientiane.**
- President's mother worked for the government for long time and have good relationship with officers in the government.
  - Special tax treatment
  - Privatization with small amount of money
- Plan is to build a nice office building on the land and rent it.
- There are many assumptions.
  - Equity/Loan: 5 years loan
  - Rent price
  - Advanced deposit: 6 months
  - Number of staff
  - Depreciation/Amortization
  - And so on

ilding r	ent	bus	sine	22						
		<b>D</b> US								
pany Name: TOP Com	fort									
party Name. FOF OUR	ion									
Year	1	2	3	4	5	6	7	8	9	10
Investments	170,000									
Equity	20,000									
Debt	150,000									
Revenue	24,000	24,000	48,000	48,000	57,600	57,600	57,600	57,600	72,000	72,00
\$ 4,000										
1st Floor										
2nd Floor										
3rd Floor										
4th Floor	24.000									
Advanced Deosit	24,000									-
Expenses	21.000	28.650	24,150	21,150	18,150	13,350	13.350	13.350	13.350	13.35
Staff compensation	21,000	1,200	1,200	1,200	1,200	2,400	2,400	2,400	2.400	2.40
No.of staff	0	1,200	1.200	1.200	1,200	2,400	2,400	2,400	2,400	2,40
Maintenance	0					2	2	2	2	-
Utility (Common)										
Security										-
Insurance										
Privatizaation	3.000	3.000	3.000	3,000	3.000	3,000	3.000	3.000	3.000	3.00
Advertisement	3,000	1,500								
Land rent	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,20
Loan interest	15,000	12,000	9,000	6,000	3,000	0				
Depreciation		6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,750	6,75
Amortization		3,000	3,000	3,000	3,000					
Operating Profit	3,000	-4,650	23,850	26,850	39,450	44,250	44,250	44,250	58,650	58,65
ncom tax	450	0	3,578	4,028	5,918	6,638	6,638	6,638	8,798	8,79
15%										
Net profit	2,550	-4,650	20,273	22,823	33,533	37,613	37,613	37,613	49,853	49,85
Cash in	172,550	5,100	30,023	32,573	43,283	44,363	44,363	44,363	56,603	56,60
Initial	170,000	1055	00.077	00.05-	00.55-	07.04-	07.04-	07.045	40.05-	40.55
Net profit	2,550	-4,650	20,273	22,823	33,533	37,613	37,613	37,613	49,853	49,85
Depreciation Amortization	0	6,750 3,000	6,750 3,000	6,750 3,000	6,750 3,000	6,750	6,750	6,750	6,750	6,75
	147.000	30,000	30 000	30 000	30,000	00.000	0	0		
Cash out Construction	135.000	30,000	30,000	30,000	30,000	30,000	0	0	0	
Lawyer	2.000									
Furniture	10.000									-
Repayment	10.000	30.000	30.000	30,000	30.000	30,000	0	0	0	
Free cash	25.550	-24,900	23	2.573	13,283	14,363	44.363	44.363	56,603	56.60
Cash Balance	25,550	650	673	3.245	16.528	30,890	75.253	119.615	176.218	232.82
Loan 10%	150.000	030	073	3,245	13,528	55,890	, 3,233	113,015	170,210	202,02
Repayment	133,000	30.000	30.000	20.000	30.000					
				30.000		30.000				

# Workshop

- Describe the following items of the company using frameworks:
  - (FW-1) Company name
  - (FW-2) Corporate Philosophy
  - (FW-3) 4Cs
  - (FW-4) X-Y
  - (FW-5) Value
  - (FW-6) SWOT
  - (FW-7) Strategy
  - (FW-8) Marketing: 4Ps , Customers and Channels
  - (FW-9) Critical Success Factors (CSFs)
  - (FW-10) Organization
  - (FW-11) Strategic Partners (With Whom)
  - (FW-12) Business Flow/Business model
  - (FW-13) Assumptions
  - (FW-14) Financial Appraisal









### **KRJC Business Course Syllabus**

- 1. Information of the module
  - 1) Title of the module: Marketing
  - 2) The target audience: Business owners, company managers, business start-ups
  - 3) Participation fee:
  - 4) Period of the module: 6 days X 3 hours = Total 18 hours
  - 5) Targeted achievement: To be developing business people with deep and wide scope of marketing capability.
- 2. Overview of the module

This module is to study comprehensive method of marketing by using frameworks which are consisting of analysis of market place, development of products and services, implementation of marketing activities through marketing mix. To be accustomed to those methods, participants are able to make an effective and concrete marketing strategy.

3. Lecturer profile

Mr. Koji Uehigashi worked for Panasonic Corp. for 34 years and he spent most of his life to develop the market place of Panasonic products in the world. He was assigned in USA for 5 years, 2 years in Taiwan and 3 years in the Philippines as top management.

From 2000 to 2015, he was acting as Chief Trainer of Marketing at Panasonic HRD Center.

Since 2015, he has been working as an expert of JICA for Business People Development in Cambodia, Mongolia, Vietnam, Myanmar and the Kyrgyz Republic.

4. Syllabus

	,	Form of training member	g and role of BC		Brief Description of	If there are any changes from last
Day a Time		Lecture & Practice &Workshop etc	Expected moderating role by BC member(if any)	Brief Description of the content	Case study	round, if yes, why and what. Any other remarks

Day 1	Marketing Basics					
1.5 hour	Introduction Analysis of business circumstances (1) 3C Analysis (2) PEST Analysis	Lecture & workshop Lecture & workshop	Facilitator Facilitator	Basic information about marketing	Marketing circumstances analysis by using 3C and PEST Analysis	No change No change
				First step in marketing to understand the circumstances you are situated.		
1.5 hour	<ul><li>(3) 5F Model</li><li>(4) Competitive Advantage</li><li>(5) Inai Chart</li></ul>	Lecture & workshop	Facilitator	The way to understand further about the situation of Competitors, Customers and your Company	Marketing circumstances analysis by using 5F Model, Competitive Advantage and Inai Chart.	No change
Day 2	Marketing Analysis					
1.5 hour	(6) Value Chain Analysis (7) Product Life Cycle Analysis	Lecture & workshop	Facilitator	Especially the important analysis what is your company's uniqueness in comparison with other companies.	Your company's strength and weakness analysis by using Value Chain Analysis	No change
1.5 hour	<ul><li>(8) SWOT Analysis</li><li>(9) Cross SWOT Analysis</li></ul>	Lecture& workshop	Facilitator	All elements from PEST and 3C analysis are to be summarized in SWOT format for making the strategy to take.	Summary of all analysis onto SWOT and Cross SWOT.	No change
Day 3	Marketing Mix – Product Planning					
1.5 hour	(1) Blue Ocean Strategy	Lecture	Facilitator	To make a new demand in the market, differentiation is the key. Let's find such a demand.	Case studies of South West Airlines, QB House, etc.	No change
1.5 hour	(2) Value Curve Analysis	Lecture	Facilitator	Your value to the customers are significantly differentiated or not.	Summary of your business using Value Curve Analysis.	No change
Day 4	Marketing Mix – Product Planning					
1.5 hour	(3) Making Product Planning	Lecture & workshop	Facilitator	The product and service is the key important factor in the marketing. Let's study how to make product and service	Product planning by using Value Curve Analysis	No change
1.5 hour	(4) Product Cone	Lecture & workshop	Facilitator	Development of product and service depends on the efficient way of communication to the customers.	New Product Development by using Product Cone	No change

Day 5	Marketing Mix – Pricing Strategy					
1.5 hour	(1) Pricing Structure	Lecture	Facilitator	Pricing is the important elements in the marketing to attract you customers.	Examples of retail business, production business and service business	No change
1.5 hour	<ul><li>(2) Skim Price Penetration Price</li><li>(3) Price Elasticity</li></ul>	Lecture	Facilitator	Let's study the basics of the pricing structure and applications.	Examples of pricing strategy	No change
Day 6	Marketing Mix - Place & Promotion					
1.5 hour	<ul><li>(1) Shop management</li><li>(2) Structure of sales formula</li></ul>	Lecture	Facilitator	Point of Purchase is very important contact points for customers to make a shopping.	Examples of superior shop front management	No change
1.5 hour	<ul><li>(3) Cross selling up selling</li><li>(4) Sales Promotional Events</li><li>(SME)</li></ul>	Lecture	Facilitator	Promotion is very important to make more revenue to your business. Let's learn from examples.	Examples of sales promotions	No change

\* This table serves as an example and can be changed based on the planned number of module days.

5. Required items for use on the module apart from basic sets (white board, lap top and projector)

None

6. Tasks for preliminary preparation by BC members apart from the ordinal preparation and support, if any.

None

# <section-header>

JICA Expert Senior Consultant of Relo Panasonic Excel International. Chief Trainer of Panasonic HRDC



Mr. Uehigashi Koji has been working for Panasonic Corp. for 34 years and he has spent most of his life to develop the market place of Panasonic products in the world. He has been assigned to USA for

5 years,2 years in Taiwan and 3 years in the Philippines as top management. Since 2015, he becomes an expert of JICA for Business People Development in Cambodia, Mongolia, Vietnam and
## **Question!**

You are ordered to visit here for Market Survey and what you see here is continuous same villages. How do you report to your boss?









## Definition of marketing

Understanding customers, products or service fit to the needs of them and selling by itself



Peter F. Drucker

Investigate how to satisfy the demand of targeted market , generate the value and deliver to customers and make a profit



**Philip Kotler** 







## **Circumstances analysis**







	[Check] PEST analysis					
	Political	Economical	Social	Tchnological		
Positive						
Negative						

	[	Check] 5	Force N	lodel	
	Competition	New entrants	Suppliers	Buyers	Substitututes
Strong					
Weak					
<b>F</b>					-
	Attractivenes of industry	5			







<b>3C Analysis</b> Competitor		
T	Adva	ntage
Target Scope	Low Cost	Product Uniqueness
Broad (Industry Wide)	Cost Leadership Strategy	Differentiation Strategy
Narrow (Market Segment)	Focus Strategy (low cost)	Focus Strategy (differentiation)

							irt for an	<b>,</b>	
Aarket Size		Ave.Price	Panasonic		Sony		Canon	Nikon	
Total: 80	3,714	€235.7	10.6%	(85197)	9.2%	(74159		22.8%	(183422)
	58,266	structure ratio 7.2%	DMC-G6 €557 951	3.5%	DSC-RX100 €501 3,094	14.7%	44.8% EOS700D/REBELT5/EOSKISSX7I€559 8,566	D7100 €1002 4,652	28.0%
>=500			DMC-GX7 €932 653		DSC-RX100IIM2 €707 1,5	80	EOS70D €1101 4,325	D5200 €606 4,523	
			DMC-GH3 €1023 439		NEX-6 €528 1,196		EOS60D(2010) €681 3,154	D7000 €665 2,774	
	47,062	5.9%	DMC-FZ200 €450 4,998	14.0%	DSC-QX100 €442 528	2.4%	EOS600D/REBELT3/EOSKISSX5 6405 24,865	NIKON1J3 €409 584	2.2%
400-500			DMC-LF1 €403 1,577		ALPHASLT-A57 €438 524		EOS100D/REBELSL1/EOSKISSX7 6445 3,890	D90 €474 425	
					NEX-5T €484 65		G15 €416 3,102	D80 €490 30	
	77.452	0.6%	DMC-FZ70/DMC-FZ72 €392	9.4%	ALPHASLT-A58 €321 4.0	21.2%	7.8% SX50HS €397 4.198	D3200 €360 17.324	50.5%
300-400	11,432		DMC-LX7 €384 1,602	2,000	DSC-HX50 €337 4,056	55	EOSM€304 1,493	D5100 €373 9,886	
			] DMC-TS5/DMC-FT5 €31	4 1 464	DSC-HX300 €390 2.726		EOS550D/REBELT2//KISSX4 €361 180	P520 €330 9.485	
				23.5%		5.2%	36.0%		27.5%
	87,579	10.9%	DMC-ZS30/DMC-TZ40 €285	8,232	DSC-WX300 €258 3,783		EOS1100D/REBELT3/EOSKISSX50 (265 22, 127	D3100 €282 16,196	
250-300			DMC-TZ41 €298 6,255		DSC-HX20V €253 744		S110(2012) €276 5,349	S9500 €256 4,326	
			DMC-FZ60/DMC-FZ62 €257		DSC-HX9V €258 15		SX280HS €270 3,039	AW110 €271 2,602	
	45,589	5.7%	DMC-TZ36 €219 5,141	30.4%	NEX-3N €216 2,196	11.0%	29.4% SX500IS €204 4,821	S9400 €204 2,324	10.8%
200-250			DMC-ZS25/DMC-TZ35 €220	5,067	DSC-WX200 €215 1,961		IXUS255HS €207 4,392	S6600 €211 1,223	
			DMC-TZ31 €236 1,825		DSC-HX10V €205 405		SX270HS €231 3,505	D3000 €204 445	
	70.000	0.000		9.9%		12.9%			20.8%
450.000	70,966	8.8%	DMC-SZ9 €178 2,720		DSC-WX80 €161 4,135		SX260HS €190 3,568	L820 €193 5,248	
150-200			DMC-TZ25/DMC-TZ250 €18		DSC-H200 €177 3,375		SX240HS €164 3,227	S6500 €181 3,087	
_			DMC-TS25/DMC-FT25 €173	9.7%	DSC-TF1 €166 856	11.4%	SX170IS €179 507 28.8%	L320 €167 1,697	15.7%
(	150,550	8.7%	MC-SZ3 €116 10,966	9.7%	DSC-W730 €108 11,285	11.4%	28.8% IXUS132 €101 18,070	S3500 €109 15,141	15.7%
100-150			0MC-FS45/FH8 €104 75	6	DSC-QX10 €144 2,266		A3500IS €122 5,620	S5200 €127 2,672	
			MC-SZ1 €110 631		DSC-WX60 €150 1,221		XUS240HS/ELPH320HS €132 5,404	L610 €141 1,523	
	266,248	33.1%	0MC-XS1 €98 5,180	5.0%	DSC-W710 €84 10,688	4.6%	A2500 €72 24,405	L27 €65 24,873	22.3%
-=100			MC-FS40/FH6 €85 2,90	01	] DSC-W610 €81 564		A1400 €60 6,631	S2700 €87 13,876	
			DAC-FH10/DMC-FS50 6	J	DSC-W620 €74 417		SX160IS €98 5,009	S31 €96 5.413	







	[Project] PESH 3C Analysis				
	Customer	Competitor	Company		
P O S I T I V E					
N E G A T I V E					

# SWOT Analysis



SWO	T analysis	
positive factors	negative factors	
S	W	Internal
0	T	External



[Proje	ect] SWOT analysis
Positive facors	Negative factors
	Internal
	External

[Pro	oject] Cross SN	NOT	
Interna	al factors		
Strength	Weakness		
ΓOffensive <b>」</b>	[Reinforce]		Oppo
			External factors Opportunity Thr
ſDifferentiation」	[Defensive]		I factor
			tors Threat



	Sales Dept
	Jales Dept
(Sales 1)	Export orders for large products have been falling drastically due to the effects of a stronger yen. ( )
(Sales 2)	No increase in orders is expected for the time being since plant and equipment investments have been frozen after inventory adjustments in Japan. ( )
(Sales 3)	We received an inquiry for small and low-price products from a Chinese trading firm. ( )
(Sales 4)	The Chinese trading firm says that orders for small and low–price products will increase.
(Sales 5)	It is possible to conduct a detailed market survey via the Chinese trading firm (the survey will take about one month). ( )
(Sales 6)	Our company can't handle small and low–price products due to the high costs.
(Sales 7)	We tend to be preoccupied with cost issues and are reluctant to start discussions to accept new inquiries due to our corporate culture. ( )
(Sales 8)	Our company's large products enjoy a good reputation for their durability and maintenance services. ( )

	Production Engineering
(Production Engineering 1)	We are not reluctant to discuss new jobs, but we have no time to discuss them because we are busy with daily operations. We will hold scheduled discussions and pay due attention in e-mail communications. ()
(Production Engineering 2)	The cost of large products has already been fully squeezed. With the current situation, we are approaching the limit. ( )
(Production Engineering 3)	As far as small products are concerned, we are at the stage where we can make a prototype of low–cost versions. ( _ )
(Production Engineering 4)	We can't determine the specifications of small products unless their needs are clarified.
(Production Engineering 5)	Market prices haven't been identified. ( )
(Production Engineering 6)	We can quickly launch the development of new products if they are just an extension of technologies applied to large products. ( )
(Production Engineering 7)	We can quickly design products if we downgrade their capability specifications and sizes.
(Production Engineering 8)	New specification requirements depend on applications and their required level is an issue. ( )

#### 16

### Manufacturing

(Manufacturing 1)	Although there are currently three production lines for large-sized products, one line is idle due to declining orders. ( )
(Manufacturing 2)	If it is possible to launch the production of small products, we will be able to use the idle production line. ()
(Manufacturing 3)	Since the proficiency level of current manufacturing staff has substantially improved, it is possible to increase operation efficiency. ( )
(Manufacturing 4)	If the current situation continues, we have no other choice but to downsize production lines. ( )
(Manufacturing 5)	To update production lines to those for new products and enable stable product shipments, costs for equipment modification and staff education are essential. ( )

	Procurement • Finance
(Procurement 1)	It is possible to negotiate cost reductions for dies and molds for purchased parts with suppliers based on reduction in size. ( )
(Procurement 2)	We can make use of steel and copper sheets and other materials for large–sized products that we have reserved at manufacturers. ( )
(Procurement 3)	Parts for large-sized products that we ordered based on our projections became excessive inventories. ( )
(Procurement 4)	Since our business partners are also experiencing a reduction in workload, it is probably possible to make slightly more demanding requests both in terms of price and delivery. ( )
(Procurement 5)	Company B, which supplies us with heat exchangers, which constitute one of the main parts, will be in danger of bankruptcy unless we continue placing orders. It is better if we can place orders even for small products with Company B. ( )
(Accounting 1)	Although we manage to weather the current situation by reducing inventories and work in process, we will face difficulties if this situation persists. ( )
(Accounting 2)	New investments will become possible if we can launch the production of new products by relocating existing equipment and staff. We request that a proposal be made by clarifying the methods, development budgets, and sales plans.

























































	PLCで	戦略チョイス	へを考える	
市場規模				
	導入段階	成長段階	成熟段階	衰退段階
市場環境	●成長過程はスローペース ●生産コストが高く高価格	<ul> <li>●製品の良さが理解され だす</li> <li>●買い手が殺到し急激な 成長を見る</li> </ul>	<ul> <li>●製品がある程度顧客に 行き届く</li> <li>●緩慢な成長から横ばい へ変化</li> </ul>	<ul> <li>●代替製品の登場</li> <li>●製品の競争力が低下</li> </ul>
顧客状況	●高額所得者 ●革新的購入者	●製品を見る目がそれほ ど 肥えていない	<ul> <li>●ブランドで選択する顧客</li> <li>が増える</li> </ul>	●顧客の目は非常に厳 しい
競争環境	●競合企業は比較的少ない	<ul> <li>●数多くの競業が参入</li> <li>●激しい競争が繰り広げられる</li> </ul>	<ul> <li>●機能上で製品を差別化 するのが困難</li> <li>●価格競争が拡大し、脱 落する企業もでる</li> </ul>	<ul> <li>●かなりの撤退業者が でる</li> <li>●競争事業者の数は漸 減</li> </ul>
基本戦略	<ul> <li>●大きな費用をかけ、認知と</li> <li>市場確立に努める</li> <li>●早期に大きな市場シェ</li> </ul>	●シェアー拡大のために マーケッティング活動推進 ●製品の差別化 ●自社ブランドの確立	●シェアーを急拡大する のは困難 ●コスト面で競争力強化 ●ブランドの強化	<ul> <li>●広告以外のマーケティング手法(各種販売促進策)の実施</li> <li>●撤退も選択肢に</li> </ul>






















### Planning sales floor layout 4. Flow planning Zoning is an important step in setting up the outline of the sales floor. 1) The main aisle for customer flow needs to be 150 to 180 cm wide. Sub-aisles need to be 90 to 120 cm wide. esperson 2) Concentrate the "demonstration display" flow line space in one place. Image 3) Place gondola shelving end units carefully so that customers are able to move freely levice Electric cooking equipment Custome service function throughout the shop. 4) Make the salesperson flow line short to \*\*\*\*\*\*\* .... allow them to work efficiently. (Examine Sub-aisle Staging function staff entrance.) Gondola end unit Main aisle Entrance













Cleanliness	84
	s is not only a matter of keeping things clean. om a comprehensive viewpoint is necessary.
Items	Check points
(1) Parking lot	A dirty and messy parking lot is a signal that the shop is indifferent to your visit
(2) Entrance	Dirty /damaged door, a mass of old posters, neglected products, piles of old packing materials
(3) Floor and ceiling	Dirty, brightness, lighting intensity
(4) Product display	Arrangement, sense of integrity, product category (zone), dust, degradation, discoloration, protruding displays, direct placement on the floor, missing products, duplicated displays
(5) POP advertise- ment	Dirty, size, content, attachment position (integrity, eye level)
(6) Around cash register	Time, accuracy, arrangement, display of small items (quantity), expressions of gratitude
(7) Toilets	Cleaning, cleanliness
(8) Greetings	Cordial attitude, remembering customers' names, brisk attitude

from customers' viewpoint 85				
Confirm 8 factors based on "Look and find," "Glimpse and find," and "Enter and find."				
Description				
● Shop appearance ● Signboard				
● Parking lot ● Entrance size ● Good broad view				
• Well arranged (You can easily see at a glance where to find which product)				
<ul> <li>Group of related products</li> <li>Plentiful lineup</li> <li>Displays using POP advertisement (Information provision and lifestyle proposals)</li> </ul>				
<ul> <li>Best-selling segments</li> <li>Full lineup of best-selling products (Advertised products)</li> <li>Product newness</li> </ul>				
<ul> <li>Products on display can be touched or picked up</li> <li>Many demonstration products (AV and cooking equipment, etc.)</li> </ul>				
<ul> <li>Cleanliness</li> <li>Customer service segment</li> <li>In-store lighting and BGM</li> <li>Safety</li> </ul>				
<ul> <li>Around cash registers (space and arrangement)</li> <li>Fast and friendly attention from sales staff</li> </ul>				
<ul> <li>Full lineup of best-selling products (Advertised products)          <ul> <li>Product newness</li> </ul> </li> <li>Products on display can be touched or picked u</li> <li>Many demonstration products (AV and cooking equipment, etc.)</li> <li>Cleanliness          <ul> <li>Customer service segment</li> <li>In-store lighting and BGM              <ul> <li>Safety</li> </ul> </li> <li>Around cash registers (space and arrangement)</li> </ul></li></ul>				





Exercis	e: What edge does your shop have over the competition?	88
	Why do customers prefer to buy at your shop?	
Explai	n specifically.	-
1		
2		
3		





	ave made purchase of customers (125	
R (When was the most recent purchase?)	F (How many times have they made purchases?)	M (What was the monetary value of their purchases?)
Purchased in the past 3 years	8 or more purchases	Accumulated amount is ¥280,001 min.
Purchased in the past 4 years	4 or more purchases	Accumulated amount is ¥120,001 min.
Other	than four types of cus	tomers
Purchased within the past year	Only once	Purchased ¥1 or more
No purchase in the	past 4 years, but purc years ago.	chased something 5
	Purchased in the past 3 years Purchased in the past 4 years Other Purchased within the past year	Purchased in the past 3 years8 or more purchasesPurchased in the past 4 years4 or more purchasesOther than four types of cusOther than four types of cusPurchased within the past yearOnly onceNo purchase in the past 4 years, but purchase



# Promotion Sales increase











### List of amusements at the event Details 2

Use your imagination to plan amusements.

### 3. Grab-away game





Children to adults can enjoy grabbing: small sweets, small jelly cups, etc.

# 4. Try to guess the winner of the World Cup

Include an application ticket in the invitation. Have the customer make a guess on which country's team will win in the World Cup. They should bring the application ticket to the shop when they visit.



Offer LED bulbs to 20 people selected from those who answered the correct country!

### Others are:

 Offer a prize related to the winning country.

Offer a watermelon in summer.









# I. Orientation

2 Т		
Ζ. Ι	rainee's Self-Introduction	8
3. T	he oppose and target of the seminar	9
4. T	he seminar schedule	10
5. T	he definition and objective of HRM	11
6. T	he object and activity of HRM	12

1.1 Lecturer's introduction
<ul> <li>Oct.,1998 to Current :Rising Consultants Co., Itd ;CEO</li> <li>Jan.,1985 to Feb,1997:Sankyo Seiki Mfg. Co., Ltd. Headquarters Purchasing Department. and Device Division; Planning Administrator Section</li> </ul>
<ul> <li>Qualification</li> <li>SME Consultant; Industrial Section (approved by the Minister of Economy, Trade and Industry in Apr., 1992) Mr. Hayashi has been diagnosing 200 or more SMEs' containing Japan, Thailand,, Indonesia, Vietnam, Myanmar, China, Cambodia, Russia, Serbia, Montenegro, Mongolia, Cuba, Tunisia, Morocco.</li> <li>SME College Instruction lecturer from Oct., 1998. Mr. Hayashi has raised about 200 SME consultants until now.</li> <li>Mar., 1981:Graduated from Gakushuin University Department of Economics, Faculty of Economics</li> <li>Experienced Kirghiz IT Human Resource Development Project in 2005.HRM lecture in KRJC from 2012 to 2015.</li> </ul>
4









## 1.3 Objectives and Goal of Seminar

- 1. Mainly study the overview and basics of human resource management (HRM) in the organization and HRM study.
- 2. First, learn the basic ideas of HRM in business management and its position.
- 3. Next, learn basic knowledge how to build system / mechanism / tool in order to apply the ideas onto practical management and to monitor.
- 4. In order to develop a practical ability, case studies and workshops are prepared.

	Theme	First Half (90mins)	Last Half(90mins)
1 <sup>st</sup> Day	Introduction to HRM	Orientation Lecture's introduction Self-introduction by participants What is HRM?	Features of Japanese HRM (Exercise)HRM diagnosis
<b>2</b> nd Day	Japanese Case Study and Recruitment	Case study of HRM in Japan How to keep employees in Japan	HR plan and employment management Recruiting management (Exercise) recruiting management
<b>3</b> th Day	Leadership and motivation	How to show leadership Leadership theories How to motive	Motivation theories (Practice)Leadership (Case study)Motivation
<b>4</b> rd Day	HR evaluation	Evaluation based on achievement Evaluation based on work attitude Evaluation abased on ability	Management by objectives (Practice)Job description document and evaluation
<b>5</b> th Day	General HRM	Competency General HRM improvement plan	Presentation on general HRM improvement plan Test

### 1.5 Definition of HRM and its objectives Whole management regarding to human resource to make • company sustainable competitiveness **Consistency with** management strategy Synonym Differences in the category Mainly for white-collar **Personal Management** No Labor relations Mainly for blue-collar **Human Resource Management** Tend to consider human as (HRM) management resource Yes Human Management Consider human as investment target Human Capital Management 11



# II. Features of Japanese HRM

1. Historical background of Japanese economy	14
2. Traditional Japanese-style management	16
3. Turning point of Japanese management	19
4. Japanese labor management system and measures	s 28
5. Case-study	30
6. Wrap-up : "How to keep employees long in Japanes	se
company.	39





# 2. Traditional Japanese Management

(1)The Features of Traditional Japanese Management

- a. Management style emphasized the idea of " human dignity"
- b. Considers employees as " peers who eat rice from same ricecooker".
- c. There is no extreme treatment gap by job category.
- d. Salary gap by rank is also small, compared to America and Europe.
- e. Employees have more opportunities to improve their work and to join decision-making in the company than American and European companies.

<sup>16</sup> 16









# (2) Current problem of Japanese-Style HRM

- 1. Delay of economic recovery after global financial system crisis
- 2. Consumption tax increase and Abenomics
- 3. Working force is decreasing by society with fewer children.
- 4. Elder society arrival.
- 5. The rate of regular employee has decreased. (65% at present)
- 6. Many young labors leave soon after they join the company. ("7/5/3 phenomenon")

21





(5)	(5) A model of ability-based grade system in						
	Japanese company						
	Ability-based gualification Grade Definition Name of Staying years					Adapted	
	qualification category	Grade	Definition	qualification	Minimum	Maximu m	position
	Management and professional	M-9	Qualitative and highly professional	Counselor			Director
		M-8	Senior management	Deputy counselled			Deputy director
		M-7	Management & planning	Examiner			Manager
	Middle direction	M-6	Supervising & planning	Deputy examiner	1		Supervisor
		M-5	Direction &supervising	superintendent	3		Supervisor
		M-4	Direction & decision	Deputy superintendent	3		chief
	General staff	J-3	Decision & routine		2	6	
		J-2	Skillful routine		2	5	
		J-1	Simple routine		2	4	
							24



The deference between Japan-based model and European and American model (1)				
	Japanese model (Ability-based system) Based on person	European/American model (Performance-based system) Based on work		
Viewpoint of the employee (1)	-Company recruits the person who has potential ability hidden before joining the company	-Company recruits the person who is suitable for the work		
Viewpoint of the employee (2)	-Educate and train the person (Management resource development)	-Make the best use of recruited person		
Person and work	-Person create some work.	-Give a person some work.		
Viewpoint of the human	-Consideration for people, equality and solidarity	-Differential and competition among people		
Main evaluation point	-Contribution to the company in the long term	-Short-term achievements		
Labor market	Internal labor market	External labor market 26		



# 4. Japanese style HRM Systems and measures to support them (1)

### a. Company magazine

Media such as booklet, newspaper, magazine, website, video could be created in order to improve internal communication . Web-base internal magazine is increased due to intranet diffusion. but old fashioned paper based magazine is still used mainly.

### b. Morale survey

How employee satisfied with the organization and the working environment and what kind of awareness of problem they have are surveyed by questionnaire. Morale survey is also called as "Employee satisfaction survey" or "Employee awareness survey"

### c. Work place gathering

Work place gathering is the place for communication between company and employee. Not only company conveys management policy and change of some institution, but also reflect employee's comments and demand for improving working condition, welfare and working environment.

### d. Proposal system

Company asks employee to turn on proposals for work improvement and so on, giving the proposer some incentives for approved proposal.

# Japanese style HRM Systems and measures (2)

### e. Labor-management council

Company and labor union talk regularly about management problems such as management policy, production plan and management organization, and so on in order to understand each other and work together.

### f. Self-assessing and self-reporting system

Employee could assess and report how much satisfied with the current job, desire for the transfer, comment and proposal for work place. Many Japanese companies install this system utilizing capacity development, appreciate arrangement and moral improvement in the work place.

### g. Small group activity

Organize one group with several employees and improving activities could be proceeded in these groups in order to improve efficacy, quality, safety and customer satisfaction.

<sup>29</sup> **29** 

# 5. Case Study (1) Introduction of performance-based system Asahi kinzoku Kougyou Co,.Ltd. (Establish date) June, 1948 (Capital) 99 million JPY (No. of employees) 325 (Business) Manufacturing parts of aerospace / nuclear power equipment parts http://www.asakin.com/









# <section-header><section-header><text><text><text><text>





# (3) Features of Tutor System

- 1. The person who can take care of juniors is appointed as tutor.
- 2. Appoint the senior staffs when newly-hired employees are allocated. Set the age gap between newly-hired employee and senior staff within 10 years.
- 3. Give the tutor training on E-learning.
- 4. Training subjects includes coaching, communication of basic acceptation and coaching methods to deal with each type of newly-hired employees.
- 5. The designating period of tutor is three years in the company.
- 6. tutor gives advices positively in the first year, but for second and third year tutor just engages in following up them in order that the matter is judged by subordinate.

Target person Tutor: The person in	1: n charge for training	I	The policy of new comer tanning person in charge for training fill	
Needs of fostering	Theme of fostering	Goal of fostering level	The way of fostering When? In what kind of scene? How to? By what kind of tool?	Evaluation after training and follow up
Schedule Required ite	ems in every month	are described in lin	ne chart(starting day and final day)	and progress will be

<sup>&</sup>lt;sup>37</sup> 37



# 6. Measures to Keep Employees for a long time in Japan

①Staff allocation to match the ability and quality

②Communication improvement between staffs at work place.

③Education/ training enforcement and aid for employees who want to be trained.

(4) Payment to match the performance

(5) Enhanced working environment and welfare program

6 Clear standard for promotion and raise.

# (Exercise)Organization and HRM diagnosis

# First, following 10 items should be checked individually. After that the result is discussed by the group, finally conclude as a group comment.

1.Does young employee highly motivate and work actively?	
2.The ideas and plan of management are well understood by their subordinate an immediately? $\hfill \Box$	nd put into practice
3.Could many of employee work together with other employee cooperatively and ,completing their work by themselves?	effectively
4.Do executives concentrate on the management of the company completely?	
5.Is there improvement staff who supports mangling director ?	
6.Does subordinate ask their boss often due to obscure instructions from boss?	
7. The number of meeting is adequate? The volume of meeting material is also ad	dequate?
8.Does opportunity loss such as customer complaint and quality failure occur?	
9.Is there any employee who gives up voicing his opinion to their boss because this opinion?	ooss does not listen
10.Is there any employee who hides problems or postpones to solve them?	
	41







		source Plan nd Skills De <sup>.</sup> <sub>et</sub>		ry Abilities
Dept.	Admin / Finance Dept.	Procurement Dept.	Sales Dept.	Marketing Dept.
Role	Attendance management, Wage management	Inventory control Commodity purchasing	Sales of over- the-counter	Sales control Market survey
Necessary abilities / skills	<ul> <li>①PC skill</li> <li>②accuracy</li> <li>③precision</li> <li>④finance</li> <li>knowledge</li> <li>⑤back-office skill</li> </ul>	1PC skill 2predictive skill 3well-organized 4product knowledge 5time consciousness	<ol> <li>Customer serving skill</li> <li>product knowledge</li> <li>well- organized skill</li> <li>service skill</li> <li>mind of customer satisfaction</li> </ol>	<ul> <li>①planning skill</li> <li>②statistics skill</li> <li>③planning skill</li> <li>④creativity</li> <li>⑤survey skill</li> </ul>
				45

	(2)	Human I	Resource	e Plan: S	Staff Allocat	ion
(E)	xample]	A supermarke	et			
Dept.		Admin/ Finance Dept.	Procurement Dept.	Sales Dept.	Marketing Dept.	
Role		Attendance management, wage management	Inventory control, Commodity purchasing	Sales of over- the- counter	Sales control, Market survey	
No. of members		3	7	25	7	Wage
Breakdown	General manager	1	1	1	1	300\$
	Manager (store manager)	Manager has an additional position	1	3	2	200\$
	Super visor	1	3	6	2	150\$
	staffs	1	2	15	2	100\$
Tota	I wages					1∟




Base pay	Pay for job (pay for skill, pay for job category)	
	Pay for job roll	
	Person-linked wages (age-linked wages , allowance for long service)	
Payment by results	payment by group result, payment by individual resul	
Allowance for work	Executive allowance, perfect attendance allowance, allowance for qualification, allowance for special duty	
Livelihood allowance	vance family allowance, housing allowance, commuting allowance	





## Recruitment Management on Japanese SME

- Many of Japanese SMEs face the adaption difficulties.
- The reason why?
  - Yung people prefer big business to SMEs.
  - Many of Japanese dislike to work in factory, warehouse and restaurant.
  - Work force is decreasing year by year due to aging population and lower birthrate

**\*\*** There are more than 4.2M SMEs in Japan as one of major sector.









# 6. Human resource development management

- The way of train and educate employee 58
- How to catch the training needs 59
- Effective way of instruction and training 60
- Six Learning Steps
   61
- The principal of instruction and training 62
- The three elements for persuading 63

### (1) The way of train employee

• OJT (On the Job Training)

Boss instructs and trains his subordinate knowledge, skills and attitude necessary for the work through every day work. OJT is systematic and selective activities.

• Off-JT (Off the Job training)

The training that is organized leaving from workplace at working time as a one kind of responsibility

Self Development

Will to enhance oneself connects self development











#### IV. Leadership encouragement Motivate enhancement

- 1. How to show leadership
- 2. How to motivate subordinate

How to Show Leadership and Motivate Your Subordinate

## 1. How to show leadership

We could learn from the Aesop fable "The north wind and the sun"



### (1) Check Your Leadership Type 1

		Agree	Can't Say	Disagree
1	When an urgent job comes in, I respect the desire to work on overtime to finish the job even if a superior does not give a direct instruction to do so.			
2	If we have lots of work on, I persuade people to put off their personal matters until later.			
3	I think that it is the leader's responsibility when the members can't deliver the expected results.			
4	When it looks like team members can deliver results, I try to entrust the way of work to the team members as much as possible.			
5	Even if team members' results don't improve, I will look after them for a while if they are doing their best.			
6	Even if work efficiency drops a little, I challenge team members to work above their ability.			
7	I think that going over deadlines a little is no major issue for keeping work quality well.			

## (1) Check Your Leadership Type 2

		Agree	Can't Say	Disagree
8	I let team member participate in out of work activities as much as possible.			
9	Disagreements over work are only ever about work, and I don't allow them to affect them to other interpersonal relationships			
10	I proactively communicate with team members to improve the team atmosphere			
11	When a superior criticizes the work approach, I never construe it as 'the cause is in the members'			
12	It is the leader who has responsibility for the work, and the team members must obey him in the final process			
13	I must show the attitude of pursuing perfection at work in order to keep work discipline.			
14	When I adjudge that the team members' proposals are inadequate, I do not give them further thought			67

#### (2) Mark Your Leadership Score ① Agree Can't Say Disagree When an urgent job comes in, I respect the desire to do 1 overtime to finish the job even if a superior does not give a direct instruction to do so 2 If we have lots of work on, I persuade people to put off their Α personal matters until later I think that it is the leader's responsibility when the members 3 can't deliver the expected results 4 When it looks like team members can deliver results, I try to entrust the approach to the work to the team members as much as possible Even if team members' results don't improve, I will look after 5 them for a while if they are doing their best. Even if work efficiency drops a little, I challenge team members 6 to tasks above their ability I think that going over deadlines a little is no major issue for 7 keeping work quality well.

## (2) Mark Your Leadership Score 2

		Agree	Can't Say	Disagree
8	I let them participate in out of work activities as much as possible.			
9	Disagreements over work are only ever about work, and I don't allow them to affect other interpersonal relationships	$\sim$		
10	I proactively communicate with team members to improve the team atmosphere			
11	When a superior criticizes the work approach, I never construe it as 'the cause is in the members'			
12	It is the leader who has responsibility for the work, and as the ultimate fallback method, the team members must obey him			
13	I must show the attitude of pursuing perfection at work in order to keep work discipline.			
14	When I adjudge that the team members' proposals are inadequate, I do not give them further thought			







#### (6) "Leaders who Motivate their Subordinates (Example in Japan)

'If you don't try, get them to share their ideas, get them to try, and praise them, they won't work in the way you respect.(Massage by Isoroku Yamamoto, Commanding chief of Japanese naval force)

- i. Leaders set the example.
- ii. Leaders give easy-to-understand instructions, then delegate work to their subordinates.
- iii. Leaders praise their subordinates' the way of work.



## (8) Leadership Styles

Classification by K. Lewin(U.S.A)

Туре	Outline	Effective situation					
Autocracy style leadership (Top down style)	<ul> <li>Think that subordinates/organization are negative.</li> <li>They can make action only when given instruction.</li> <li>Decision making and working procedure are also given by boss.</li> </ul>	-Un-matured and unstable group -Immediate decision making is necessary					
Hands-off style leadership	-Boss don't take part in action subordinate/organization held. -Decision making and working procedure are also held by subordinate	-High level expert group such as research and development department					
Democratic style leadership (Bottom up style)	-The policy is decided on their own discussion under support of boss. -Working procedure and points are entrusted to subordinate.	-The most desirable style in normal work.					
eadership should be	adership should be used properly in accordance with situation and subordinate. 75						





[FYI] The Idea of Leadership by Zico, Head Coach of Football
i. Leader never forgets the spirt of challenge
ii. Leader never loose the passion at any time.
ii. Leader must make subordinates understood that they are parts of team.
iv. Leader must let subordinates be aware of the goal.
v. Leader must foster subordinates' awareness of professionalism.
vi. Leader must find subordinates' capabilities.
vii. Leader must let subordinates use their brains.
viii. Leader must give subordinates confidence.
ixLeader must listen to what subordinates say.
X. Leader must make his/her stand clear.
xi. Leader must make subordinates convinced to work.
xii. Leader must create an environment for easy-to-work.
xii. Leader must also consider the organization after he/she leaves.





# (1) Factors that Increase and Decrease Motivation

• Factors that increase motivation

-Feeling a sense of achievement from work

-Being recognized by one's peers

-Being entrusted with work with responsibility

-Receiving fair evaluation and being able to promote

-Improving own ability through work

▲ Factors that decrease motivation

-High salary

-Good atmosphere in workplace

-Structured and clear management policy

-Fair work conditions (work hours, rest times, days off)

-Pleasant workplace environment

## (2) How to Motivate People (Question)

①How do you enable people to feel a sense of achievement from work? ⇒
②How do you encourage to be recognized by peers? ⇒
③How do you entrust people with work with responsibility? ⇒
④How do you facilitate people receiving fair evaluation and being able to promote? ⇒
⑤How do you facilitate people improving that their ability through work? ⇒

82





#### (4) Maslow's Hierarchy of Needs 1

- Abraham Maslow (1908 ~ 1970, an American psychologist) considered that human needs form levels, with physiological/semantic/basic needs followed by social and psychological needs at higher levels.
- Once the lower-level needs are completely met one by one, people will become conscious of higher-level needs.
- Similarly for the level of satisfaction, once the first-level needs are met, a person will desire the needs of the next level up.

[Relationship with Employee Satisfaction]

- When people feel nervous or insecure due to unfulfilled needs, the ego restores mental stability, carrying out various actions autonomously to protect the self. When the feeling of nervousness is dissipated due to those actions, it changes to satisfaction.
- Similarly for employee satisfaction, employees are satisfied by taking actions that respond to needs, and furthermore focus on their work, make high-quality products, and deliver customer satisfaction.
- Therefore, corporations should systematize policies that bring employee satisfaction, and these policies should be presented to employees.





#### **(5)** Need for Self-Actualization

The need of wanting to pursue one's own ideals. The need of wanting to improve oneself and realize one's full potential.

#### ④ Need for Esteem

When social needs are satisfied, the need for acceptance as a member of society appears. This is called the "Need for Esteem". Needs for fame, status, driving a nice car, and wearing brand-name items correspond to this need.

#### ③ Need for Love and Belonging

Once physiological, and safety and stability needs are satisfied, people come to desire that groups will warmly welcome hem/her, such as family, local organizations, etc. This is called the "Need for Love and Belonging". As it includes the pursuit of love, it is also called the Need for Love.

#### ② Need for Safety

Once the psychological need is fulfilled, people then tries to save their own life. This is the "Need for Safety". This includes the need to think about the future risks.

#### ① Psychological Needs

These are the needs that are imperative for survival, such as hunger and sleepiness. These are instinctive needs.





























(Example) How to Create an Evaluation	
Sheet Based on Work Attitude	

Item	Meaning	Point of view	Evaluati
1	Having a good	i. Does he/she greet others properly?	
Disciplined	manner as a business	ii. Does he/she not be late?	
	person	iii. Does he/she draw a clear line between work time and rest time?	
② Responsible	Attitude to complete the	i. Have he/she completed the work until the end?	
	work until the end	ii. Does he/she deal with the work sincerely?	
		iii. Does he/she report that the work has finished?	
			102



#### (Example) How to Create a Evaluation Sheet Based on Ability

Item	Meaning	Point of View	Evalua tion
Ability to execute the	Ability to achieve the	i. Does he/she understand the work and its method properly?	
work	objectives in accordance with the business ii. Does he/she have knowledge / skills to execute the work smoothly?	8	
	plan	iii. Does he/she devise ways to execute the work effectively?	
Communicati Ability to on ability communicate with concerned parties smoothly	communicate	i. Does he/she report /consult with the supervisor appropriately?	
	with concerned parties smoothly	ii. Does he/she have an active communication with colleagues?	
		iii. Does he/she listen to others positively?	
			104

Five-grade eval (normally)	uation based on performar	Weighted as the whole is 100.	and exec	ccount of dif cution condif within+-20%	tion, set
	Score	Importance(%)	Difficulty(%)		ion Score
Objective ①	4	40	120	1	.92
Objective ②	5	30	90	1	.35
Objective ③	3	30	110	0	.99
[Evaluation resu	It based on attitude	and ability]	Total	4.2	6[A]
	Score	Total Score	]		
Attitude	3	5 <b>[</b> B]			
Ability	2		Weighte	ed by	
Compreher	sive evaluation	]	positi	-	
			Allocation ratio(%)	Result	Overall
Evaluation re	esult based on perfor	mance[A]4.26	80	<b>3.41</b>	4.41
	ult based on attitude	and ability	20	1	105

# [FYI] Basic Ability as a Business Person

Necessary abilities to start working early as a business person for new member of society (Ministry of Economy, Trade and Industry)

Category	Ability	Content
Ability to go	Independence	Willing to deal with things.
forward (Action)	Ability to approach	Ability to approach others and to make them involved.
	Ability to implement	Ability to set objectives and to execute.
Ability to think (Thinking)	Ability to find the problem	Ability to analysis the current situation and find an problem and a solution.
-	Planning ability	Ability to find a process to solution and to prepare.
	Creativity	Ability to create new value.
Ability to work	Ability to express	Ability to express clearly.
as a team	Ability to listen	Ability to listen to others carefully.
(Team-work)	Flexibility	Ability to understand differences in opinions / on positions.
	Ability to understand the situation	Ability to understand the situation around yourself and others and relations with things
	Disciplined	Ability to obey social rule and to keep promise with others
	Stress-controlling	Ability to deal with the origin of stress.



### (1) Decide Who Evaluates Who

Evaluatee	Primary evaluator	Secondary evaluator		
General Manager	Executive vice president			
Manager	General manager			
Supervisor	Manager	General manager		
Group leader	Manager	General manager		
Staff	Manager	General manager		
*Evaluatees also evaluate themselves.				

### (2) Create Evaluation Sheets by Department

	Clerical post	Sales	Engineer	OO post
General Manager	0	0	0	
Manager	0	0	0	
Supervisor	0	0	0	
Group leader	0	0	0	
Staff	0	0	0	10



		/
	the following sentence carefully, Evaluate Mr. C's leade $s, O(Good), \Delta(Avarage), \times (Poor)$	rship ability in
alk and a	ervisor, Mr. C, is kind to his subordinates so that he alwa advises them well when they have some difficulties in w luated him highly for his "leadership ability".	
<b>[</b> Evalu	uation Sheet]	
		· · · · · · · · · · · · · · · · · · ·
Item	Point of view	ΟΔ×
Item Leader ship	-	ΟΔ×
	Point of view ①Does he/she find the educational needs of	ΟΔ×

i.

grades, <b>(</b>	following sentence carefully, Evaluate Mr. A's leadersl D(Good),∆(Avarage), × (Poor)	nip ability in
visiting sche with custom what he sho ability"	fter entering the company, Mr. A visit customers regularly bas dule. He sometimes needs to change the schedule in order t ers' claims. He understands well what he should deal with at uld do next, Therefore, his boss evaluated him highly for his	o cope first and
[Evaluation	n Sheet]	
Item	Point of view	ΟΔ×
Planning Ability	①Does he/she make a plan and execute the work properly and promptly?	
	② Does he/she take account of priority and importance?	
	③Does he/she always understand the degree of	



VI. Competency Model a Building Organization	and
1. Meaning of competency	115
2. What is competency model?	117
3. How to do competency evaluation	118
<ul> <li>4. Building organization with using con model</li> <li>123</li> </ul>	npetency

## 1. Meaning of Competency

One year has been passed since Mr. A and Mr. B joined the company, as salesperson. They have same level of knowledge and skills, however, Mr. A sells twice as much as Mr. B. Why do you think that it happens?



- 1 He/she sets high objectives.
- (2) He/she considers the action and the process to achieve the objectives.
- ③ He/she gathers necessary information.
- (4) He/she acts and uses the information to achieve high objectives.

116








[Example]	Level 1	Level 2	Level 3	Level 4
	Execute under boss's supervision	Act at least once he/she is supervised	Take action by oneself.	Have good influence onto others.
Planning ability	He/she can set schedule under consultation	He/she can consider what to do for	He/she can make a schedule for	He/she can make a schedule for achieving the
Consider what to do for achieving objectives and manage time.	with a boss.	achieving objectives, however, needs the advice from a boss to set the time-schedule.	achieving the objective and manage it by oneself.	objective and manage it by oneself. Furthermore, he/she can review the schedule when things don't go according to plan.





<ul><li>(1)Competency Model Based on Ideal Person for Company [Example]</li></ul>				
Character of ideal person	Necessary behavioral feature	Concrete action		
Employee who can judge and act	Ability to set objectives	Set goal by oneself.		
proactively	Planning ability	Manage time to achieve objectives.		
	Ability to execute	Do what he/she plans, until the end.		
Employee who understands	Ability to find problems	Notice the current problems in a process of market change.		
changes and challenges to high	Ability to create	Consider what should be changed as a way of work.		
objectives.	Ability to execute	Set clear objectives and act to achieve them.		
		124		

(2)(	•	y Model by ategory	y Each Job	)
	<ul> <li>Define the ideal employee by each job category at your company, necessary behavior features and concrete actions.</li> </ul>			
Job catego <mark>ru</mark>	Clerical staff	Sales Staff	Engineer	
l l				125



### **KRJC Business Course Syllabus**

- 1. Information of the module
  - 1) Title of the module: KRJC Business Course A-Course Financial Management
  - 2) The target audience: A Course participant
  - 3) Participation fee: To be filled by BC staff
  - 4) Period of the module: Nov21,22,23,26,2018
  - 5) Targeted achievement: Participants to understand rough pictures of Financial Management, major KPI, cycle of Financing.Investing,Earnings Get hint from Japanese Business to utilize for own business. Participants to understand "Financial Management Philosophy".
- 2. Overview of the module
  - ✓ Learn what is Financial Management,
  - ✓ Learn importance of financial statements and learn financial analysis
  - $\checkmark$  Learn how lenders evaluate borrowers,
  - ✓ Study new moves of Japanese companies
  - ✓ Learn importance of governance which impacts business positively and negatively.
- 3. Lecture profile

Junji Ban started his career as a global banker with Bank of Tokyo (MUFG Bank). He was assigned in global banking, corporate finance, as well as project finance. After serving in Australia, Indonesia, he was assigned as Senior Vice President of U.S. Corporate Banking in New York, then he represented the bank in Washington DC as Chief Representative. He has deep insight of Japanese corporate activities in Asia through his assignments as General Manager of Asia Planning Office and China Division of the bank overseeing bank activities in Asia and China. After completing his tenure with the bank as General Manager of Northwest Group in the U.S, he joined Western Union Business Solutions in Japan to start up web-based platform for foreign remittance. He currently serves as the senior researcher at International Development Center of Japan, consulting on JICA's economic and social development projects, as well as lecturing on financial management in Japan Centers in Kyrgyz and Cambodia. He contributed in "Tigers' Roar by Julian Weiss, Is East Asia's Economy Back on Track? "published in 2011 by M. E. Sharp, Armonk, New York, 2001.

## 4. Syllabus

			ng and role o <u>f</u>		Brief Description of Case study	If there are any changes from
Day & Time	Topic	Lecture & Practice &Workshop etc.	Expected moderating role by BC member (if any)	Brief Description of the content	Drief Description of Cuse study	last round, if yes, why and what. Any other remarks
Day 1	Brief of					
SESSION	What is Financial Management	Lecture	Monitor participants if any of them need any help as well as assisting lecturer in case of any needs.	Explanation of what participants learn-Introduction	NA	Basically, same as R23.Some changes checked by BC staff.
SESSION	Financial Management Overview	Lecture Group Participation Practice Quiz (during class or as homework)		Overview of Financial Management Relation of each accounting -Relation with Business Management -Objectives, Functions, -Managerial Accounting -IFRS	No quiz, different from R23	Basically, same as R23.Some changes checked by BC staff.
Day 2	Brief of					
1 SESSION	Importance of Financial Statements	Lecture		Learning the financial statements and its significance	NA	
SESSION	Importance of Financial Analyses-Profitability Importance of Financial Analyses -Financial	Lecture Group Participation Practice Quiz		Learning Financial Analyses	-ROE moves in Japan Looking at cases of Japanese Companies, Reason behind improvements of ROE, Using companies' homepage, such as below	Basically, same as R23.Some changes checked by BC staff.

	Soundness	(during class or as homework)		https://www.haseko.co.jp/hc/english/environment.html https://www.disco.co.jp/eg/ https://www.sony.net/ No quiz, difference from R23	
Day 3	Brief of				
1SESSION	Proper financial management is required when you approach bank for borrowing-From Lenders' viewpoint.		Learning important points when borrowing from financial institutions	Lenders Viewpoint	Mostly same as R23, changes checked by BC staff
2 SESSION	State of Japanese Companies (include SME, SDGS& ESG)		Learning about SMEs Japan, learning new trends of business involving SDGs and ESG	State of Japanese SME	Mostly same as R23, changes checked by BC staff
Day 4	Brief of				
SESSION	Outlines of Financial Planning		Some important elements of Financial Planning	Groupwork Financial Planning	Mostly same as R23, changes checked by BC staff
SESSION	Case Study		Case study of Toshiba Scandal	Groupwork of Toshiba Scandal	same as R23, changes checked by BC staff

\* This table serves as an example and can be changed based on the planned number of module days.

- Required items for use on the module apart from basic sets (white board, lap top and projector) White Board, Laptop, Projector, Pointer, Marking Pen(Water) various colors(black, red, dark blue at least) Also White paper, post it(large size & small size), marker pen(MULTIPLE COLORS, NEW ONES)
- 6. Tasks for preliminary preparation by BC members apart from the ordinal preparation and support, if any.



# A – Course Syllabus

Schedule		Agenda	Remarks
Day 1	1	What is Financial Management	Japanese Lecturer
	2	Financial Management Overview	
Day 2	3	Importance of Financial Statements/ Making of Statements	Japanese Lecturer
	4	Importance of Financial Analyses-Profitability Importance of Financial Analyses -Financial Soundness	
Day 3	5	Proper financial management is required when you approach bank for borrowing-From Lenders' viewpoint	Japanese Lecturer
	6	State of Japanese SME	
Day 4	7	Case Study: Entrepreneur in Cambodia/S International Inc, Okayama, Japan	Japanese Lecturer
	8	Group Works: Financial Planning	

#### Purpose of this course

- Understand rough pictures of Financial Management without going much further into detailed number and figures
- Understand concepts of key indicators important to Financial Management
- Appreciate Financial Management through proper Management Accounting and Financial Accounting ideas, and make your company stronger and sounder.
- Bottom line is making your company profitable with proper Financial Management through the cycle of "Financing", "Investing", "Earning".

## Active Group Participation needed

- Course success is depending on your active participation.
- Please read the course material before the lecture.
- This course only gives you some parts of financial management, but not everything. So your effort of doing your own studies is recommended.
- Especially 4<sup>th</sup> day, "Group Work/ Financial Planning involves
- One way lecture may be boring, we introduce group works.
- If you become boring, you may take a nap, but please do not snore!
- If any questions, please ask
- Let us make grouping of 4-5 people each.

# 1<sup>st</sup> Day June xx 2017

**KRJC** Business Course

A- Course

Financial Management

What is Financial Management/Financial Management Overview

1<sup>st</sup> Day June xx 2017

Junji Ban



#### Financial Management Overview-Definition

"Financial management is that activity of management which is concerned with the

planning, procuring and controlling of the firm's financial resources. "

By Deepika & Maya Rani

There are many ways to define it, but there is no clear definition, it may be said Financial Management is a philosophy of business management with planning and controlling of your business financial resources in order to achieve the objectives.



### Financial Management Overview- Role in Business Management

Corporate activities are the activities of combining four business resources, namely "manpower", "goods", "money", "information", to achieve corporate goals.

Business Management/ Business Administration	Business Resources	Category
	manpower	HR Management/Labor Management
	goods	*Inventory Control/Asset Accounting
	money	Financial Management
	information	Information Management

\*Inventory Control/Asset Accounting are the inclusive part of Financial Management

## Financial Management Overview- Objectives in Business Management

**Objectives of Financial Management** The financial management is generally concerned with procurement, allocation and control of financial resources of a concern. The objectives can be-

To ensure regular and adequate supply of funds to the concern.
 To ensure adequate returns to the shareholders which will depend upon the earning capacity, market price of the share, expectations of the shareholders.

3.To ensure optimum funds utilization. Once the funds are procured, they should be utilized in maximum possible way at least cost.

4.To ensure safety on investment, i.e., funds should be invested in safe ventures so that adequate rate of return can be achieved.

5.To plan a sound capital structure-There should be sound and fair composition of capital so that a balance is maintained between debt and equity capital. http://managementstudyguide.com/financial-management.htm

# Financial Management Overview- Functions in Business Management

#### **Functions of Financial Management**

1.Estimation of capital requirements: A finance manager has to make estimation with regards to capital requirements of the company. This will depend upon expected costs and profits and future programmes and policies of a concern. Estimations have to be made in an adequate manner which increases earning capacity of enterprise.

2.Determination of capital composition: Once the estimation have been made, the capital structure have to be decided. This involves short- term and long- term debt equity analysis. This will depend upon the proportion of equity capital a company is possessing and additional funds which have to be raised from outside parties.

3.Choice of sources of funds: For additional funds to be procured, a company has many choices like-

- 1. Issue of shares and debentures
- 2. Loans to be taken from banks and financial institutions
- 3. Public deposits to be drawn like in form of bonds.
- 4. Choice of factor will depend on relative merits and demerits of each source and period of financing.

5. Investment of funds: The finance manager has to decide to allocate funds into profitable ventures so that there is safety on investment and regular returns is possible.

- 6.Disposal of surplus: The net profits decision have to be made by the finance manager. This can be done in two ways:
  - 1. Dividend declaration It includes identifying the rate of dividends and other benefits like bonus.
  - 2. Retained profits The volume has to be decided which will depend upon expansional, innovational, diversification plans of the company.

7.Management of cash: Finance manager has to make decisions with regards to cash management. Cash is required for many purposes like payment of wages and salaries, payment of electricity and water bills, payment to creditors, meeting current liabilities, maintenance of enough stock, purchase of raw materials, etc. **8.Financial controls:** The finance manager has not only to plan, procure and utilize the funds but he also has to exercise control over finances. This can be done through many techniques like ratio analysis, financial forecasting, cost and profit control, etc.

http://managementstudyguide.com/financial-management.htm

#### Financial Management Overview-Relation with BS/PL

Financial Management= Management Planning +Financial Control	Viewpoint of Business Management
Financial Management=Profit management+Financing(funding)Management+Funds Management	View Point of Balance Sheet
Financial Management=Profit Management+Cost Management+Funds Management	View Point of Profit and Loss Statement

# Financial Management Overview-Management Accounting

	Financial Accounting	Management Accounting
Format:	Specific format by IAS so that financial accounts of different organizations can be easily compared.	No specific format is designed for management accounting systems
Planning and control:	For making investment decision, credit rating	For plan and control activities to aid decision-making process.
Users:	Reports are primarily used by <b>external users</b> , such as shareholders, bank and creditors.	Reports are exclusively used by internal users viz. managers and employees.
Focus:	Focus on history.	Focus on future.
Monetary Vs. non- monetary:	Most information is of a monetary nature.	Information may be monetary or alternatively non-monetary.
Time span:	Statements are required to be produced for the period of 12 months.	No specific time span is fixed for producing financial statements.
Legal/rules:	Drafted according to GAAP - General Accepted Accounting Procedure. IFRS	Drafted according to management suitability.
Center of importance:	The origin of preservation of knowledge gives emphasis on recording keeping on a whole firm basis for the purpose of decisions by all the users of accounting information, both external and internal.	information for strategic management decisions. It is

#### Financial Management Overview -Management Accounting (additional notes)

- As shown in the table on previous page, corporate accounting can be categorized into 2 areas.
- One being financial accounting, and the other being management(managerial )accounting.
- Financial accountancy is governed by both local and international accounting standards.
  Generally Accepted Accounting Principles (GAAP) is the standard framework of guidelines for financial accounting used in any given jurisdiction. It includes the standards, conventions and rules that accountants follow in recording and summarizing and in the preparation of financial statements.
  On the other hand, International Financial Reporting Standards (IFRS) is a set of passionable accounting standards stating how particular types of transactions and other events should be reported in financial statements.

IFRS are issued by the International Accounting Standards Board (IASB). With IFRS becoming more widespread on the international scene, *consistency* in financial reporting has become more prevalent between global organizations. We will casually have a look at IFRS shortly.

While financial accounting is used to prepare accounting information for people outside the organization or not involved in the day-to-day running of the company, management accounting provides accounting information to help managers make decisions to manage the business.(from Wikipedia)

#### International Financial Reporting Standards -1 Reference only-Financial Accounting

#### What is IFRS?

International Financial Reporting Standards (IFRSs) are designed as a common global language for business affairs so that company accounts are understandable and comparable across international boundaries. They are a consequence of growing international shareholding and trade and are particularly important for companies that have dealings in several countries. They are progressively replacing the many different national accounting standards. They are the rules to be followed by accountants to maintain books of accounts which are comparable, understandable, reliable and relevant as per the users internal or external.

IFRS, with the exception of *IAS 29 Financial Reporting in Hyperinflationary Economies* and *IFRIC 7 Applying the Restatement Approach under IAS 29*, are authorized in terms of the historical cost paradigm. IAS 29 and IFRIC 7 are authorized in terms of the units of constant purchasing power paradigm.

IFRS began as an attempt to harmonize accounting across the European Union but the value of harmonization quickly made the concept attractive around the world. However, it has been debated whether or not de facto harmonization has occurred. Standards that were issued by IASC (the predecessor of IASB) are still within use today and go by the name **International Accounting Standards** (IAS), while standards issued by IASB are called IFRS. IAS were issued between 1973 and 2001 by the Board of the International Accounting Standards Counting Standards Committee (IASC). On 1 April 2001, the new International Accounting Standards Board (IASB) took over from the IASC the responsibility for setting International Accounting Standards. During its first meeting the new Board adopted existing IAS and Standing Interpretations Committee standards (SICs). The IASB has continued to develop standards calling the new standards "International Financial Reporting Standards".

Mainly taken from Wikipedia

#### International Financial Reporting Standards- 2 Reference only-Financial Accounting

(Further explanation on IFRSs)

Though this subject may be covered by "Accounting Course for Businessman", it is beneficial to have basic understanding of what is going on in global scene as far as IFRS is concerned. We learned on page XX, that International Financial Reporting Standards (IFRS) are designed as a common global language for business affairs so that company accounts are understandable and comparable across international boundaries.

IFRS is consisting of those 4 accounting standards undermentioned.

1.International Accounting Standards, IAS

2.Standing Interpretations Committee, SIC Interpretation guidelines

3.International Financial Reporting Standard, IFRS

4. International Financial Reporting Interpretations Committee, IFRIC Interpretation guidelines

#### International Financial Reporting Standards-3 Reference only-Financial Accounting

#### Continue from previous sheet

In 2005,IFRS was first applied to publicly listed companies within EU as mandatory application. It has been spreading globally, and now over 100 countries use IFRS as their accounting standards or equivalent standards. It is expected that more countries will introduce IFRS as their standards. In 2005,European Securities and Markets authority evaluated Japan, U.S,Canadian accounting standards as nearly equivalent with IFRS.

In November 2007, U.S. SEC relived filing of US GAAP for foreign companies reporting on IFRS basis.

In December 2008, EU evaluated Japanese GAAP and US GAAP equivalent to IFRS.

## IFRS adoption in Japan

- Since 2010, companies that meet certain criteria have been permitted to voluntarily apply IFRS Standards for consolidated financial statements in Japan. In 2013, the FSA revised its Cabinet Office Ordinances and eliminated certain requirements in order to enhance further application of IFRS Standards in Japan. As a result, the number of companies eligible to apply IFRS Standards was increased, and virtually all listed companies and unlisted companies are allowed to use IFRS Standards for consolidated financial statements.
- Under the current regulation, a company may voluntarily use IFRS Standards if it meets the following criteria:
- The company discloses, in its Annual Securities Report, information regarding specific efforts to ensure that the consolidated financial statements will be prepared in accordance with 'Designated IFRS'; and
- The company allocates executives or employees with ample knowledge about Designated IFRS, and puts in place a structure to ensure that the consolidated financial statements will be prepared properly in accordance with Designated IFRS.
- 'Designated IFRS' is a set of IFRS Standards that have been designated by the Commissioner of the FSA. Each IFRS standard is made effective through the formal process of endorsement.

Accounting Standards (IFRS) | JICPA The Japanese Institute of Certified Public Accountants

# The number of listed companies voluntarily adopting IFRS

- According to the Tokyo Stock Exchange, as of June 30, 2016, the number of listed companies voluntarily adopting IFRS Standards (including those that officially announced their intention to adopt) is 115, and an additional 22 companies have disclosed that they are planning to adopt IFRS Standards in their earnings reports.
- The number of voluntarily adoption IFRS is consistently increasing in Japan.<u>Accounting Standards (IFRS)</u>
   <u>JICPA The Japanese Institute of Certified Public Accountants</u>





# Quiz 1<sup>st</sup> Day

Please answer the Quiz separately provided.

## 2nd Day June xx 2017

**KRJC** Business Course

A- Course

Financial Management

Importance of Financial Analyses-Profitability

Importance of Financial Analyses-Financial Soundness

2nd Day June xx 2017

Junji Ban





#### Financial Statements Correlation of each statement -2

The picture shows that the funds used from the beginning **balance sheet**. current assets, such as cash, marketable securities reasonably expected to be cashed within 1 year to be utilized for operation.

Generated income is shown in the **profit and loss statement of the period** (1year) as net income, and the portion of net income is accumulated as part of retained earnings on the ending **balance sheet**.

Cashflow statement

#### Financial Statements A)Business Process is Represented in financial statements













D)Financial Statement	ts-Profit & Loss Statement-Income	e Statement
	Sales	
	Cost of Goods Sold(COGS)	
	Gross Profit	
	Selling, General and Administrative Expense (SGA)	-
	Operating Income	
	Interest Expense	
	Others	
	Income before Income Taxes	
	Income Taxes	-
	Net Income	





## E) Financial Statements-Balance Sheet (BS)-continued

In financial accounting, a **balance sheet** or **statement of financial position** is a summary of the financial balances of an individual or organization. Assets, liabilities and ownership equity are listed as of a specific date, such as the end of its financial year. A balance sheet is often described as a "snapshot of a company's financial condition". Of the <u>four basic financial statements</u> (In this course, we cover 3 statements which are relevant to <u>SMEs</u>,)the balance sheet is the only statement which applies to a single point in time of a business' calendar year.

A standard company balance sheet has two sides: assets, on the left and financing, which itself has two parts, liabilities and ownership equity, on the right. The main categories of assets are usually listed first, and typically in order of liquidity. Assets are followed by the liabilities. The difference between the assets and the liabilities is known as equity or the net assets or the net worth or capital of the company and according to the accounting equation, net worth must equal assets minus liabilities. Another way to look at the balance sheet equation is that total assets equals liabilities plus owner's equity. Looking at the equation in this way shows how assets were financed: either by borrowing money (liability) or by using the owner's money (owner's or shareholders' equity). Balance sheets are usually presented with assets in one section and liabilities and net worth in the other section with the two sections "balancing".

A business operating entirely in cash can measure its profits by withdrawing the entire bank balance at the end of the period, plus any cash in hand. However, many businesses are not paid immediately; they build up inventories of goods and they acquire buildings and equipment. In other words: businesses have assets and so they cannot, even if they want to, immediately turn these into cash at the end of each period. Often, these businesses owe money to suppliers and to tax authorities, and the proprietors do not withdraw all their original capital and profits at the end of each period. In other words, businesses also have liabilities

#### F) Financial Statements-Cash Flow Statement (CS)

In financial accounting, a **cash flow statement**, also known as *statement of cash flows*, is a financial statement that shows how changes in balance sheet accounts and income affect cash and cash equivalents, and breaks the analysis down to operating, investing and financing activities. Essentially, the cash flow statement is concerned with the flow of cash in and out of the business. The statement captures both the current operating results and the accompanying changes in the balance sheet. As an analytical tool, the statement of cash flows is useful in determining the short-term viability of a company, particularly its ability to pay bills. International Accounting Standard 7 (IAS 7), is the International Accounting Standard that deals with cash flow statements. People and groups concerned in cash flow statements include:

Accounting personnel to determine the capacity of the organization in meeting to cover payroll and other immediate expenses

Potential lenders or creditors, want to determine the company's ability to repay the debt. Potential investors, who need to judge whether the company is financially sound.

Potential employees or contractors, need to know whether the company will be able to afford compensation.

Shareholders of the business, wants to know the soundness of the company as investor and ultimate owner of the company.

#### F) Financial Statements-Cash Flow Statement (CS)-continued

#### **Cash Flows from Operating Activities**

<u>Cash flows from operating activities</u> include cash flows from the principal revenue generation activities such as production, sales and delivery of the company's product as well as collecting payment form its customers. The activities also include purchasing raw materials, inventories, advertising, shipping the product etc.

#### **Cash Flows from Investing Activities**

<u>Cash flows from investing activities</u> are cash in-flows and out-flows related to activities that are intended to generate income and cash flows in future. This includes cash in-flows and out-flows from sale and purchase of <u>long-term assets</u>.

#### **Cash Flows from Financing Activities**

<u>Cash flows from financing activities</u> are the cash flows related to transactions with stockholders and creditors such as issuance of share capital, purchase of treasury stock, dividend payments etc.

#### G) Financial Statements-Limitation

- Dependence on historical costs. Limitation on future prediction.
- Financial Statements show the state of company performance in monetary terms, but not always showing other facts and evidence such as number of employees, company's physical records such as floor space.
- Inflationary effects.
- Intangible assets not recorded.
- Based on specific time period.
- Not always comparable across companies.
- Subject to fraud.
- No discussion of non-financial issues.
- No predictive value.

# Take a break : Enjoy Animation of Financial Statements

So far we learned significance and importance of financial statements. Let' watch Financial Statements animation ! Enjoy!!

https://www.youtube.com/watch?v=gC0i73lj3Us

## Importance of Financial Analyses

#### 1. Outlines of Financial Analysis (Analyses)

Financial Analysis is to study and evaluate company activities and performance based on financial statements, mainly balance sheet and profit & loss statement. In that sense, financial analysis is the financial statement analysis.

Financial Analysis is performed by selecting certain items/figures from balance sheet as well as profit &loss statement and determine company's profitability, safeties in comparison with the business standard and other peers.

Even though, there are some limitations mentioned in page XX, using historical performance to date to study the past tendency and utilize for making future plans.









#### Financial Analyses(profitability)

Four kinds of Important Indicators

①Return on Equity (ROE) = Net Income / Shareholders' EquityX100

2 Profit Rate(Margin), Profit to Sales=Profit(Gross or Operating or Net)/Sales Revenues

③Total Asset Turnover = Net Sales / Total Asset

④ Financial Leverage = Total Asset / Shareholders' Equity

#### Financial Analyses(profitability) -continued

Return on Equity (ROE) = Net Income / Shareholders' Equity

= Net Income/Sales X Sales/Total Assets x Total Assets/Shareholders'

Equity=Net Income/Total Assets X Total Assets/Shareholders 'equity

Return on Equity(ROE) is a type of indicators of Return on Investment(ROI), which is derived by Net Income/Shareholders' equity. Other type of ROI is Return on Asset(ROA), which is derived by Net Income/Total Assets. Needles to explain Net Income(profit) is after tax basis.

In financial analyses, the **return on equity** ( $\mathbf{ROE}$ ) is a measure of the profitability of a business in relation to the book value of shareholder' equity( net assets or assets minus liabilities. )

ROE is a measure of how well a company uses investments to generate earnings growth.

ROE is especially used for peer comparison of the profitability performance of companies in the same industry. ROEs' reasonable level of course differs by industries, companies. But generally speaking, ROEs of 15-20% are considered good. ROEs are also a factor in stock valuation, in association with other financial ratios for the stock listed companies. At the same time, looking on to ROE only has a risk of making misjudgment of company's sustainability as "going concern" from the view point of company's soundness.

So it is also necessary to look into other ratios such as liquidity ratio, current ratio, shareholders' equity ratio from the company sustainability.

# Financial Analyses (Profitability)-continued

Profit Rate(Margin)=Profit/Sales

Gross Income on sales(gross profit rate)=Gross Profit/Sales Operating profit ratio=Operating Income(profit)/Sales Ordinary Profit Ratio=Ordinary income/Sales Net Income Ratio=Net Income/Sales



# Financial Analyses(Profitability) -continued

gross income on sales, gross profit rate

is a profitability ratio that shows the relationship between gross profit and total net sales revenue. It is a popular tool to evaluate the operational performance of the business. The ratio is computed by dividing the gross profit figure by net sales.

operating profit ratio

ordinary profit ratio / current profit ratio / recurring profit ratio

net income

# Financial Analyses(Financial Soundness)

Financial Analyses for Soundness, looking at soundness of the company as a going concern from the view point of financial management whether the company has enough capacity to repay the debt on due date, equity procurement is healthy in long term. (1)Financial Soundness (Short term)

②Financial Soundness (Long Term)

Of course some indicators overlap with efficiency and profitability.

Short term	
Quick Ratio (Acid Test Ratio)当座比率	(Current Assets-Inventories) /Current Liabilities For calculation of Quick Ratio, cash/deposit, receivables (note), receivables are considered.
Current Ratio 流動比率	Current Assets/Current Liabilities How much extent can current liabilities are covered by current assets. In other words, easiness to be cashed.
Gearing Ratio	(short term/long term debt + bond)/Equity Shows the impact of debt finance against the company equity
Interest Coverage Ratio	=EBIT/interest Expense, =net income + Interest expense + income tax expense/interest expense Higher the ratio, the better in interest payment capacity

# Financial Analyses(Financial Soundness)

(Current Assets-Inventories) /Current Liabilities For calculation of Quick Ratio, cash/deposit, receivables (note), receivables are considered as quickly money converting assets. Purpose of this ratio is to see liquidity on hand to determine whether the company has readily available cash to avoid insolvency of a profit making business due to liquidity problems.
Current Assets/Current Liabilities Very simple way of comparing current assets and current labilities, and if the current ratio is higher than 100%,short term payment capacity is reasonable. But as the current assets, here includes, inventories. Quick ratio is more safer to use.In Japanese business, it is considered that the ideal one is more than 200%, and average is said to be 120% to 150%.
Percentage of Ordinary profit against sales

Financial	Analyses	(Financial	Soundness)
	J		)

Long Term		
固定比率Fixed Ratio	(non current assets +differed assets)/equity	

Take a break; Please have a look in your free time- Some Examples of Judging Company Performance by Balance Scorecard



# Quiz 2nd Day

Please answer the Quiz separately provided.

# 3rd Day June xx 2017

KRJC Business Course

A- Course

Financial Management

Proper Financial Management Presentation is required when you approach banks for borrowing-From Lenders' viewpoint State of Japanese SME

3rd Day June xx 2017

Junji Ban

#### Proper financial management is required when you approach bank for borrowing-From Lenders' viewpoint

Common points seen in companies with good financial management

1.Good monthly monitoring framework

2.Good monthly monitoring of KPI

Not only ROE, but for example number of phone calls to prospective customers It is useful to set own KPI standard for performance

3.Appropriate forecast for fund use

4. Risk Control

5.Internal Control

Let us together learn some points when Lenders(Banks) consider when making credit & loans to SME. We will learn some basic points in the case of Japan and some U.S and further study in the group how banks in Kyrgyz views SMEs.

And study what happens if financial management is not properly conducted leading companies into difficult position such as "fund shortage".

#### From Banks/Lender's view point

When business whether if the business is SMEs or not, bank will usually put covenants in the loan agreements. Those covenants are designed to protect banks' interests. Before exploring on those covenants, let us study the following points.

- (1) Bankers consider Five C's of Borrower Risk/Group Discussion
- (2) Obligor Rating

#### Five C's-When you need to borrow from bank

#### Bankers consider Five C's of your business

- Capacity/Cash flow Company must generate enough cash to repay loan
- Capital/Net worth Owner must have funds in business Evidence of re-investment in business
- Collateral
- Conditions Use of funds, External environment
- Character Owner/manager must want to repay loan Some banks refer "C" as credit history

## Five C's-Capacity/Cashflow

Capacity refers to the ability of your business to repay the loan. In your loan application, you must state how and when you intend to repay the loan.

Not only stating the revenue and expenses, you need to indicate your cashflows with regard to the repayment. Capacity also refers to you and your business credit history.

#### Five C's-Capital/Net worth

Capital, represents the owner's investment in the business. Owner has to have significant investment in the business before a lender will consider granting business loan. The loan office will study carefully at the amount and quality of capital that the owner has in the business.

#### Five C's-Collateral

Collateral has a distinct relationship to capacity. Collateral refers to forms of security you and your business can provide to your bank. Collateral may be buildings, equipment owned by you or your business, including your home. Collateral may also include a guarantee by someone else, in case you can not repay the loan, the other party submitted the guarantee will pay. Guarantee is sometime called as "Co-signer".
### Five C's-Conditions

Conditions refer to 1.External environment, 2.Use of Funds conditions refer to the overall economic climate and external environment surrounding the bank and the business firm. During a recession or periods of tight credit, it is obviously more difficult for a small business to repay a loan and more difficult for a bank to find the funds to loan. It becomes even more important for the small business firm to present an iron-clad loan application to the bank. The second part of conditions refers to the intended purpose of the loan. Are you buying new equipment for expansion? Are you replenishing working capital for inventory build up or paying bonus for your employees?

### Five C's-Character

Character is often a subjective judgment made by the banker about the prospective client. The lender decides if the client is trustworthy with regard to repaying the loan and generating a return on the investment. This is where the education and experience of the client comes into the picture. Your references and background in your industry are considered by the financial loan officer.

### Obligor Rating in Japan



Most of the Japanese Banks have around 10 classifications of those 3 categories based on their risk judgment. Appropriateness of judging those criteria are examined by banks own credit risk manual by so-called ,"Self Assessment". And at the time of banking examination by Financial Services Agency, it is reviewed by banking examiners. 10 classifications of those 10 classifications are further categorized as 1)Normal 2)Needs attention 3)In danger of bankruptcy 4)De facto bankrupt 5)Bankrupt.

### Obligor Rating in Japan

• Obligor rating by Japanese Banks, performed quantitively as well as qualitatively. As said 5 C is important for bank lending as , 5C is universal bank lending philosophy for sound and safety bank lending. Following table extends further the 5C into the

· Criteria that bak bank loan officers looking into when making loans. Quantitative

Quantitative (unit)	Formula	Explanation	Highest Score1010	
Capital Ratio (Capital to Asset Ratio, Equity Ratio,etc) %	Equity/Total Assets	Shows the strength of company		
Gearing Ratio %	(short term/long term debt + bond)/Equity	Shows the impact of debt finance against the company equity		
Capital to fixed assets %	Fixed Assets/(Fixed Liabilities + equity)	Fixed assets are financed by long term debt to what extent	7	
Current Ratio	Current Assets/ Current Liabilities	How much extent can current liabilities are covered by current assets. In other words, easiness to be cashed.	7	

### Obligor Rating in Japan

#### Profitability Quantitative (unit) **Highest Score** Formula Explanation Ordinary Profit Ratio Ordinary profit(income)/Sales Percentage of Ordinary profit 5 against sales 5 Return on Asset (ROA) Ordinary Profit(income)/Total Percentage of Ordinary Profit Asset against Total Asset Revenue Flow Gross Profit, Operating Income, How many years, is the revenue 5 Ordinary income growing? Growth Factors Quantitative (unit) Explanation **Highest Score** Growth rate of Ordinary (Ordinary Profit Current Term-5 Ordinary Profit Previous Profit term)/Ordinary Profit Previous Term\*100 15 Equity Amount

### Obligor Rating in Japan

Sales

Repayment Capacity				
Quantitative (unit)	Formula	Explanation	Highest Score	
Years of Debt Redemption	=interest bearing debt-working capital-cash & deposit /operating income-corporate tax +depreciation	Shows how many years it takes to repay interest bearing debt from cash flow. Shorter the better in repayment capacity.	20	
Interest coverage ratio Also called as "times-interest- earned"	=EBIT/interest Expense, =net income + Interest expense + income tax expense/interest expense	Higher the ratio, the better in interest payment capacity	15	
Cash flow amount			20	

Working capital =(accounts receivables +inventories)-accounts payables

EBIT=earnings before interest and taxes

Cash flow amount=Operating income + depreciation (this term)

Cash flow amount is increase in cash of the term comparted with the previous term. The reason adding

depreciation is because depreciation is the cost item in profit and loss statement, there is actually no move of cash, therefore amount of depreciation to be added back to cash. Total Quantitative Score 129

5

# Obligor Rating in Japan

Qualitative	Explanation	Highest Score
Market Trend	As business environment is rapidly changing, life cycle of your products and services needs to be adjusted to the market trend to survive. Banks also look at the stages of business life cycle. "Growth period" gets the highest qualitative assessment, next, "Maturity", then "Take Off", and lower assessment for "Decline" and "Rapid Decline". Proper marketing strategy is necessary for higher qualitative assessment from banks.	10
Economic Sensitivity	Lower the sensitivity, gets higher assessment	3
Market size	Bigger the size, better assessment	4
Competition	Less competition, better assessment	7
History in business	Longer the history, better assessment	5
Management and Management Policy	5 classification(good, fair, average, slightly inferior, inferior	10
Shareholder	"listed and stable" gets higher assessment, next listed without major concern", not listed but stable, problematic.	5

# Obligor Rating in Japan

1 5		Highest Score
	Three categories, "no issue", "issue but no impact", "material to management"	3
	Five categories, "very solid", "solid", "considerable ","slightly inferior", "inferior".	10
*	"very strong", "strong", "average", "slightly inferior", "inferior"	7
	4 categories, "very high", "high", appropriate and strong in some specific region, slightly inferior	7

### Group Participation – RPG (Role Playing)

Each group to prepare 1 page presentation of convincing scenario to impress and convince the bank to lend you business loan.

Please include elements of 5 'Cs in your presentation. You have 30 minutes to discuss in the each group and each group leader should act as an entrepreneur with 1page scenario to convince bankers. Each group should also nominate 1 person as an banker to have a role playing with an entrepreneur.

You can think any type of business, with any amount of capital, any amount of sales, etc.

### Financial Management in Japanese SMEs

### What are SMEs?

Accounting for 99.7% of all companies, 70% of all employees, and more than 50% of all added value (manufacturing industry) in Japan, SMEs form the very basis of the Japanese economy.

• Even such large corporations as Toyota, Honda, and Sony started out as small backstreet factories, and the revitalization of SMEs can promote competition in the marketplace, creating new industries and becoming the motive force behind economic restructuring.

• The majority of the products of large corporations consist of components from SME subcontractors; thus, it is the hidden strength of SMEs that underpins trust in Japanese products.

• The economies of Japan's provincial areas are supported by the activities of SMEs – mainly in the service industry, retail trade, and the construction industry – and SMEs play a part in revitalizing local economies and boosting employment opportunities.

Source: Japan's policy on small and Medium Enterprises(SMEs) and Micro Enterprises, Small and Medium Enterprise Agency, Ministry of Economy, Trade and Industry, Japan, September 2013



### Financial Management in Japanese SMEs

### SME in Japan

- In Japan, there are 3,820,000 corporate entities, and of which 99.7% belong to SMEs, and65% of permanent employees belong to SMEs. Of SMEs, Micro Enterprises counts 85%.
- Even large companies such as Toyota, Honda, Sony started out as small backstreet factories.
- As of 2014(11,110big enterprises+ Small Medium 556,984+Micro3,252,244),total 3,820,000
  SMEs is the foundation of the Japanese economy, source of dynamism, and create employment for regional
- economy.
- Companies sample group which introduce financial management & systems have higher ratio of profit making enterprises.

### Significance of Financial Management in SMEs

• Gap between high performers and low performers of enterprises is deepening, and the high performers enjoy increase freedom in financing from financial institutions, vice versa low performers face difficulties in financing. Main reason for the gap derives from financial institutions changing attitude from old collateral/third party guarantee lending to credit rating lending. In credit rating lending approach, financial institutions tend to pay more attentions to "credit risk based on financial state". Under the circumstance, even in SMEs financing, the needs of "Financial Management" is increasing its importance.

# Financial Management in SMEs-SMEs status in Japanese Economy



### Financial Management in Japanese SMEs

As no exception, Japanese SMEs also have difficulties in financing as generally speaking SMEs have few assets and weak financial foundation.

 As SMEs have few assets and weak financial foundations, it is difficult for them to procure capital from the stock market, so securing a smooth supply of funds is one of their key challenges.
 According to group month of Filiated financial institutions have been established to area a system to provide SMEs with long

Accordingly, government-affiliated financial institutions have been established to create a system to provide SMEs with long-term funds at low rates of interest.

There are limits to the funding that can be provided by public financial institutions alone, so a system of credit enhancement has also been introduced. This enables SMEs to make use of funds from private sector financial institutions, as the government guarantees the loans taken out with such institutions by SMEs and pays it back in subrogation if the SME concerned does not.

• Currently (as of at the end of FY2012), the value of outstanding loans by public financial institutions to SMEs is ¥22.5 trillion, about 9% of the ¥240 trillion total value of all outstanding loans to SMEs, while the value of loans subject to credit guarantees is ¥32 trillion, about 13% of the total value. Thus, this system complements provision by private sector financial institutions.

Source: Japan's policy on small and Medium Enterprises(SMEs) and Micro Enterprises, Small and Medium Enterprise Agency, Ministry of Economy, Trade and Industry, Japan, September 2013

# Quiz 3rd Day

Please answer the Quiz separately provided.

## 4th Day June xx 2017

**KRJC** Business Course

A- Course

Financial Management

4th Day June xx 2017

Junji Ban

How to Start Your Own Business And make it infinite growth?

Original material from lecture by Mr. Theborras Chea Chan, Mr. Somethearith Din, Co-founder The Frangipani Villa Hotels Group Phnom Penh, August 23rd 2011 At CJCC

Because of the time length of the course, some slides have been deleted from the original.

### Case Study: Entrepreneur in Cambodia

2007

Two young men Started part time business, Opening first hotel: Frangipani Villa 60s, Phnom Penh.

**Number of rooms: 7rooms** 

- ♦ Investment Cost: USD 80,000
- ♦ Operating cost: USD 2,000 USD 3,000 per month

### 2008

Opened the 2<sup>nd</sup>, Frangipani Villa 90s Phnom Penh Number of Rooms: 15 Investment Cost: USD 150,000

◆Operation Cost: USD 6,000 – 8,000 per month

Frangipani Villa 60s



# Case Study: Entrepreneur in Cambodia

Frangipani Villa 60s





2009

Opened the 3rd, Frangipani Villa Hotel in Siem Reap Number of Rooms: 51 Investment Cost: USD 500,000 Operation Cost: USD 10,000 – 13,000 per month

2011

Opened the 4th , Frangipani Villa Fine Arts Phnom Penh Number of Rooms: 21 Investment Cost: USD 100,000 Operation Cost: USD 10,000 – 12,000 per month



Frangipani Villa Fine Arts Phnom Penh



# 2011 Deneed the 5th, Frangipani Villa Hotel in Siem Reap . 9.umber of Rooms: 42 . Hovestment Cost: USD 1500,000 . Operation Cost: USD 5,000 – 7,000 per month . And on the process to start the 6th project, Frangipani Villa Royal Palace in Phnom Penh . 9.umber of Rooms: 65 . Hovestment Cost: USD 500,000 . Operation Cost: USD 500,000 . Porestion Cost: USD 500,000

### Case Study: Entrepreneur in Cambodia

Following the success of the Frangipani Hotels in Siem Reap, in early 2011 the Frangipani hotel group has taken over operation of an adjacent hotel.

The Frangipani Hotel II in Siem Reap offers a selection of superior single, twin and double rooms.The hotel is in a quiet neighbourhood one block east of the Siem Reap river and 8 minutes walk from the popular 'Pub Street' restaurant area. It's an ideal base from which to explore the Angkor temples or visit Siem Reap's environmental attractions.

http://www.frangipanihotelangkor.com/Frangipani-Villa-Hotel2/Overview.htm





Step 1: Business is about what you know and who you know (Passion)

We have been trying to apply our skill and experiences for business concept



### **Step 3: Business Development Plan**

- > Investment estimation
  - Make a calculation on investment cost
  - Decide on the market we will enter
  - Make a calculation on operation cost (staff and service cost)
  - Loss and profit calculation (100% lost, 75% lost, 50% lost, 25% lost, zero profit, 25% profit, 50% profit, 75% profit, 100% profit)
- > Are we ready for lost? (Is it risky?)
- > Are we ready for success?

Step 4: How to get Resources

- Put down each partner capital and make a calculation (capital pooling), we each have around USD 4,000 -USD 5,000 whilst we need USD 80,000, so how to do?
- > Searching for shorted capital (wife/ Lovers/ husband/ parents/ sibling/ relatives/ friends/ bank, etc.)
- > How to convince them? -show them the project site and explain them how we are going to pay them back.

### Case Study: Entrepreneur in Cambodia

Step 5: How to Work as a Team

- > Equal share and help each other in case one shareholder is short in
- capital.
- $\succ$  Trust each other
- ➢ Set up team's rules
- > Must be transparent and accountable
- > Identify each partner's roles, who is doing what?
- > Try to make decision together
- > Don't try to question who is doing much more than others

Step 6: Business Kick Off

Start business with minimum staffs and resources, ready for improvement and aim for success

### Case Study: Entrepreneur in Cambodia

**Step 7: Business Development** 

> Try to develop everything with minimum budget:

- Products
- Services (Staff training)
- System and operation flow
- Sell
- Marketing

> Try to review

- Feed back
- Performance
- Quality control
- · Cash flow

Step 8: Keep Learning Keep Momentum

- > If it does not work well, try to review everything and searching for improvement
- > If success, looking for possibility of extension through extending good debt

## Case Study: Entrepreneur in Cambodia

Step 9: Expansion
> Replicated again and again by doing more and more with less and less
> Join other business owner society

Step 10: Give back to the Society > Tell others about our success > Support who has not

# Entrepreneur "Employees look for jobs after the business is built. A entrepreneur's work begins before there is "Employees look for jobs after the business is built. A entrepreneur's work begins before there is Belief "You can have anything you want if you will give up the belief that you can't have it." Robert Anthony

### Case Study: Entrepreneur in Cambodia

Money

"All money is matter of belief." Adam Smith

"Money is not most important thing in life. But money does affect everything that is important." quoted by Robert T Kiyosaki

"Lack of money is the roof of all evil" George Bernard Shaw





### Case Study: S International Inc, Okayama, Japan

- S International Inc, is the company located in Okayama, Japan. The company belongs to Apparel & Textile Products Industry and Sub-Industry, Apparel, Footwear & Accessories Design.
- S International established in 1994 as a small select shop with a small space of 13.22 m, with investment of only 3 million yen, just after so called bubble economy busted in Japan.
- Now with 1,255shops in Japan. Annual sales of 125,700million yen.
- Plan to list in Tokyo Stock Exchange in 2017.
- Apparel Industry in Japan is still in "the Winter Years" except for the case of UNIQLO and S International, as traditional Apparel companies are shrinking the sales volume.
- · The owner of S international, who loved "Clothes" while he was young, jumped into the declining Apparel Industry.
- · His business philosophy is "To know and understand the customer in details".
- His business had a sharp down turn in the 5<sup>th</sup> year of operation, running red ink, decrease of sales, and once he had nothing to do except sweeping & cleaning his own shop. To him, "Business essentials "written by Konosuke Matsushita(Founder of Matsushita, presently Panasonic)was a bible and in that Matsuhista said,"In the time of sales slump, just clean your shop".

### Case Study: S International Inc, Okayama, Japan

- To pull out from sales slackness, the owner determined to reconsider his business model, changed the business process, farewell to
  importing apparel and moved toward the business model of "specialty store retailer of private label apparel", so called "SPA" in
  which the company design, manufacture and implement retail sales activities as one seamless flow. SPA has merits of easy to control
  inventories.
- Servitization, effort on apparel downstream business from product to service oriented, "out gear/Cloth Rental Business", as no apparel industry has entered the rental market, it is very much "Blue Ocean".
- Also started, "Used Apparel Sales "on internet having price discrimination, selling returned rental out gear/cloth with less than half price of new product.
- Secret to success is, the owner says "Start with something small and do the validation over and over, and if come across with anything I do not understand, I will ask my customers".
- · The reason for expanding down stream, the owner says," I want to expand apparel business chance in "rental",
  - " used sales", and for that reason, "studying and learning from Car industry".
  - "In Car industry, relation with customer continues after car sales."
- · M&A has merits that you can obtain remedy for "weak and short functions "in quick manner.
- For new brand and new business area, implement through analysis and control numbers, and if red ink continues and hits the
  withdrawal line as well as preset investment amount, then withdraw from that brand and that business.
- 30% of Revenue Streams, Operating Profit from Key Activities is invested into new business development.

### Case Study: S International Inc, Okayama, Japan

• 4 Ways of muddling through

1)Enter the market where existing makers are not at present.

2)Clearly articulate rules and standards for withdrawing brands.

3)Promote Investments into non apparel new area.

4)Through M&A, strengthen short& weak area, Speed is the key.

The company is not listed yet and only disclose the balance sheet on their URL in Japanese only.

Though we do not have financials, their business model is unique for clothing company as the company deploys unique business, such as "hotel", "ice cream shop", "cosmetics", "cloth rental", "used cloth sales".

http://www.stripe-intl.com/en/





### Group Work: Financial Planning

Group work: 30 minutes Presentation: 10 minutes per group One group: 4 – 5 person. Once group is organized, please appoint 1 group leader for your presentation. And also appoint group secretary to make presentation material. Time management is recommended.

Make an illustration of your group simple business model that include cash flow plan for at least 3 years. Style is free.

Target business can be hotel as like as the Cambodian entrepreneur, Apparel business or any type of business, another industry business such as, Money changer, Ice-cream shop, Import goods shop, Food processing company, Consulting firm, Language school, etc.

Please also read following pages to get some idea. Look forward to your group presentation after XX minutes.

### Financial Planning: Read Before Group Work

### **Always Remember!**

### Poor Planning leads to poor performance

- Budget is required as a control means in order to reliably achieve the performance goals.
- Prediction is necessary to management of resources. However it is not intended order that the performance targets can be reliably achieved.

### Planning process starts with Strategy Analysis

### Financial Planning: Read Before Group Work

- · Financial Plan is the core part of your business plan
- · Planning process takes place before budgeting process.
- · As for making financial plan, the strategy of your company is necessary as we learned in Part 1 Strategies.
- · Planning process is the means to achieve the goal of the organization(your company)
- Planning process has various functions
- a)Offers opportunities for managers to think objectively and logically of the future roadmap of the business as

well as conditions necessary to achieve it.

b)Through the formal process, accuracy, consistency as well as correlation will be assured.

c) By setting certain framework to decision making of managers and their subordinates, organizational activities

can be aligned with organization's goals.

- d)Offers the control basis for business performance.
- e)Promote adjustment of conflicts among the departments.

f)Functions as means to secure commitments among employees.

### Financial Planning- Strategic Financial Planning

- Financial Management involves managing all company's assets and liabilities, including monitoring operational financing items such as expenditures, revenues, accounts receivables and account payable, cash flow, and profitability. Strategic Financial Planning encompasses all of the above, along with ongoing evaluation and planning to keep company focused and on track to attain short term and long term goals focusing to maximize the company's profitability and value.
- We study some of the important issues of Strategies as a part of or at least closely related to financial management.

### Financial Planning- Strategic Financial Planning

- What is Strategy
- Strategy is a high level plan to achieve one or more goals under conditions of uncertainty.
- · Strategy is important because the resources available to achieve these goals are usually limited.
- Strategy generally involves setting goals, determining actions to achieve the goals, and mobilizing resources to execute the actions.
- Strategy is set as a direction to achieve goals over long period of time.
- Strategy is about how you want to distinguish or position your business in your industry, while a business model describes everything you need to be able to execute your strategy/



### Porter's Five Force Analysis

Maybe you have heard of Michael E. Porter's "Competitive Strategy" and his theory of "Five Force Analysis". In the strategic financial planning, I think it is useful to grasp and understand the image and concept of Porter in relation to "Competition "in your product and service market.

Michael Porter is an American academic known for his theories in economics, business strategy and social causes.

Of course, there are other successful theories such as , "Blue Ocean Strategy"

https://en.wikipedia.org/wiki/Blue Ocean Strategy,

which place "value innovation" as the cornerstone of the strategy, in pursuit of differentiation, low cost, creating value for both buyer, the company, and its employees, by opening up new and uncontested market space which is "Blue Ocean" compared to existing "Red Ocean" where cut throat/bloody competition exist.

### Porter's Five Force Analysis

- Porter explains the concept of competition is crucial in business strategy. Although business strategy maybe lectured in "marketing course", as appropriate business strategy is one of the must when making strategic financial planning from the view point of financial management.
- Five Elements of Porters Competitive Forces consist of

①Existing industry competitors

②Customers(Buyers)

**③**Suppliers

**(4)**Substitute Products

**(5)**New Entrants

### Porter's Five Force Analysis

- Competition among Existing Competitors
- Established companies have competitive advantages such as loyal customers, premier locations, good supply chains and a better understanding of the market. New companies may find it difficult dealing with already-established competitors, since they need to convince their customers to switch providers. To overcome this hurdle, some firms get information about rivals from customers, suppliers and employees, and study the specific products and services they sell. They then use this to develop strategies to overcome the competition.
- · Bargaining Power of Customers
- Customers' bargaining power greatly influences a company's competitive strategy. Buyers have the power to demand lower prices in a system where their number is relatively small
  compared to that of sellers. In such cases, when a customer becomes dissatisfied with the quality of service or pricing in a certain store, he can easily switch to rivals. On the other hand, if
  your business is the lone provider of a product or service, the customer has little bargaining power and you can be more aggressive in your pricing strategy.
- Bargaining Power of Suppliers
- Suppliers provide the inputs or raw materials for business. Their bargaining power has a direct impact on the company's profit margins, as the price at which they sell inputs to business
  will determine the selling prices of the finished products. Suppliers have a high bargaining power in cases where they are few, there are no substitutes for supplies or when there is no unity
  between buying companies. If there are two suppliers for a specific good your business needs, for example, and one goes out of business, the other supplier has the power to raise prices,
  which will impact your ability to keep your cost structure infact.
- Threat of Substitute Products
- Substitute products give consumers the opportunity to choose alternatives based on price or quality. This increases competition, since a consumer can easily forgo buying a particular
  product in place of another. For instance, a consumer may buy almond butter in place of peanut butter because of the former's apparent health benefits. For a business to maintain
  superiority over rivals, it needs to invest move in developing brand loyalty based on consumers" preferences to stand out from other products in its category.
- Threat of New Entrants
- If an industry has low barriers to entry, a business faces the risk of competition from new entrants. New entrants can introduce tactics like lower pricing and aggressive marketing strategies in an effort to attract customers. New companies also can offer suppliers better prices and terms so that they increase competition with existing players. High entry barriers, such as customer loyalty, limited distribution channels and shortage of key resources, may limit this competitive danger.

http://smallbusiness.chron.com/five-elements-porters-competitive-forces-model-77015.html

### Porter's Five Force Analysis

- 1. Threat of Entry: Threat of new entrants
- 2. Industry Competitors/Existing Competition: Intensity of rivalry among competitors
- 3. Substitutes: Threat of substitute products
- 4. Buyers: Bargaining power of buyers
- 5. Suppliers: Bargaining power of suppliers



Cross SW	OT Analysis			
	Cross SWOT Analysis	Strength	Weakness	
	Opportunities	Aggressive Strategy	Gradual Strategy	
	Threats	Differentiation Strategy	Retreat Strategy	

### When doing SWOT analyses-important things to remember

When you think of Strength, Weakness, Opportunities, Threats... Consider Institutional Voids, which may exist in your capital market, product & service market, labor market.
This institutional void may work as disadvantage or advantage.
If there are institutional voids, you may include those in SWOT analyses, and see if the institutional voids may work better for your business.

Some Definition: Institutional Voids 
See the next page

### Extra Tip: Institutional Voids

- In emerging economies, the institutional infrastructure to support market-driven economies and provide basic services often falls short.
- Institutional development is a complex process, dependent upon specific factors related to the historical, social, and cultural forces shaping the country or region in question.
- The most important factor in a market economy is the ability of buyers and sellers to find one another and complete transactions as seamlessly as possible. Institutional voids are the gaps that exist in specific markets that serve as roadblocks to the ideal interactions and transactions of buyers and sellers.
- Institutional voids come in a variety of forms: absent or unreliable sources of information related to the market as a whole, uncertain regulatory or intellectual property regimes, and inefficient judicial apparatus are just some possible examples.
- Although institutional voids are palpable impediments to effective transactions and the proliferation of beneficial services (such as reliable healthcare), they are also opportunities for entrepreneurial interventions.

From Harvard X Entrepreneurship in Emerging Economies

### Extra Tip: Institutional Voids in Kyrgyz

• When you do Five Force and SWOT, think of some institutional voids you can think of, which can be some disadvantages for your business, but can be converted as advantages by your strategic planning.

### Financial Planning: Read Before Group Work

Always Remember!

Poor Planning leads to poor performance

# •Budget is required as a control means in order to reliably achieve the performance goals.

• Prediction is necessary to management of resources. However it is not intended order that the performance targets can be reliably achieved.

Planning process starts with Strategy Analysis

### Budget as Control Means(Budgeting Process)

Step 1: What is your company's constraining factor?

Step 2: How much sales expected with the constraining factor?

Step 3: How much costs estimated for the planned sales?

Step 4: How much profit calculated with the planned sales and cost?

Step 5: How much current assets needed for the planned sales?

Step 6: How much non-current assets needed for the planned sales?

Step 7: How much **fund** needed for procurement of the planned assets?



### Profit Creating Process shown in cycle



The management activities could be divided into three (3) categories from a viewpoint of accounting: finance, investment and operation. Usually, companies borrow some money from shareholders, banks, families, or friends: finance. With the money, the companies would build a factory and procure machine/ equipment: investment. Then, they procure raw materials, employ some workers, manufacture some products and sell them to get a profit: operation. This profit could be used to recover the investment, repay the loan and pay some dividends to shareholders. The remaining part of the profit might be used for a new investment or operation, together with a new finance, e.g. borrowing a new loan. In other words, the circulation of finance-investmentoperation could be expanded with profit.

### Managing Costs

In order to predict the future of the company, to classify costs usually into two categories: Fixed costs

Expenses of salary, depreciation and loan interest would be the "Fixed cost" which would not change no matter how much sales of A company increase.

Example: Salary of Managers/Officers, Depreciation, Fire Insurance, Rent etc

Semi-Fixed Cost: Up to certain point, it is a fixed cost, but once exceeding some operational point, it increases and then at some point of operation it decreases and become fixed cost: Line managers, wages of inspectors, etc.

♦ Variable costs

The variable cost accrues in proportion with sales increases or decrease.

Direct material cost, direct labor cost etc

Semi-Variable Cost: Cost in-between fixed and variable, utilities for example.







### Practice: How do you manage your cost.

Now you have so far learned the concept of managing your cost. Let's do some practice!

### Practice: Break Even Point Analysis

Calculate BEP (%) of A company. A company's Financial Data

- Sales: 10 Million Som.
- Variable Cost: 3.6 Million Som.
- Fixed Cost: 6 Million Som.

1)Break Even Point Sales=FC 6Mil÷(1-(VC3.6Mil÷Sales10Mil)=9.375Mil 2)Variable Cost Ratio=Variable Cost 3.6Mil÷Sales10Mil=36%=0.36 3)Break Even Point Sales=FC6Mil÷(1-0.36)=9.375Mil 4)Break Even Point Ratio=9.375Mil÷10Mil=93.75%

### How Do you Manage Cash Flow?

- Cash management means Management of Working Capital.
- Working Capital=(Current asset) (Current liability)
- Cash Cycle=(Days of Account Payable) (Days of Account Receivable)
- Cash management aims to shorten cash cycle:
  - Inventory management
  - Account Receivable management
  - Account Payable management

### What Can The Statement of Cash Flows Tell Us?

	CF from Operating	CF from Investing	CF from Financing	Typical Feature
1	+	+	+	Created fund by operating activities and disposal of unnecessary investments, and financing debt and capital increase.
2	+	+	-	With cash created by operating activities and disposal of unnecessary investments, did the repayment of loans, to improve the financial structure.
3	+	-	+	With cash provided by operating activities, is doing a new investment, but financed the shortfall in the funding of borrowings and capital increase.
4	+	-	-	With cash provided by operating activities, carried out a new investment, further carried out the repayment of loans in surplus funds, has strengthened its financial position.

### What Can The Statement of Cash Flows Tell Us?

	CF from Operatin g	CF from Investing	CF from Financing	Typical Feature
5	-	+	+	The shortage of cash provided by operating activities, are financed by disposal of unnecessary investment, debt increase and capital increase.
6	-	+	-	The shortage of cash provided by operating activities, financed with funds made by the disposal of unwanted investments, and repaid debt with the surplus funds.
7	-	-	+	Although cash provided by operating activities are lacking, and the financing by loans and capital increase, is doing a new investment. ,
8	-	-	-	Insufficient funds from operating activities, being chased to the repayment of debt, it is doing a new investment. Dangerous state.

### Practice: Describe your findings from financial statements of SHARP: cash flow statements, IS and BS, referring the below as well as the information following on the continuing sheets

- Sharp Corporation is a Japanese multinational corporation that designs and manufactures electronic products, headquartered in Abeno-ku, Osaka.
- Sharp employs more than 50,000 people worldwide. The company was founded in September 1912 in Tokyo and takes its name from one of its founder's first inventions, the Ever-Sharp mechanical pencil, which was invented by Tokuji Hayakawa in 1915.
- As of 2013, Sharp Corporation once was the tenth-largest, by market share, television manufacturer in the world. In Japan it had been a long-time leader. Sharp had at times also been the most popular mobile phone brand in the Japanese market.
- Since 2016 it has been an integral part of Taiwan-based Foxconn Group and now under way in rebuilding.
- A copy of the latest annual report and some useful URL is provided for your reference.
# Sharp Corporation: Announcement of Appointment of New President of Sharp

Sharp Corporation which was once a world class leading company with the history over 100 years, now under the ownership of Taiwan company, muddling through to become
new Sharp Corporation.

· Below statement from Announcement of Appointment of New President of Sharp | Sharp Corporation | Sharp Global

- August 13, 2016
- · Announcement of Appointment of New President of Sharp
- At a meeting held today, Sharp Corporation's Board of Directors approved the appointment of J.W. Tai, Corporate Executive Vice President, Foxconn, as Sharp's President and Chief Executive Officer.
- Mr. Tai expressed that he is honored to assume the significant responsibility of rebuilding Sharp, a world-class company with a rich 104-year history, and shared his commitment
  to putting in all of his efforts to achieve this goal.
- At a joint press conference held on April 2, Foxconn and Sharp, announced a strategic alliance between the two companies. Anti-trust reviews of that alliance by the relevant
  authorities have now, been completed, and today marks the beginning of Sharp's transformation and a new chapter in its history. Sharp would like to express its gratitude to the
  authorities involved in the review for their open and sincere communications with the mompany throughout this process.
- As part of the strategy to enhance Sharp's financial structure, the company reacquired Class B Shares on August 12. It plans to introduce a stock option incentive program to
  molivate employees and recognize strong performance. Mr. Tai is also scheduled to host a formal dialogue with Sharp employees on August 22.
- From here on, Sharp will build on its strong DNA and business creed, "Sincerity and Creativity" an unwavering commitment that has guided the company since its establishment
   - to further strengthen its brand and to enable Sharp to stand out as an iconic global brand.
- In addition, Sharp will drive strategic cooperation with Foxconn and leverage the strengths of both companies to create synergies and reinforce its operations.
- Through the concerted efforts of all employees across all levels of the company, Sharp is confident that it will overcome its challenges and achieve success in the near future.
- · Sharp sincerely hopes that the company's efforts will receive strong support from all stakeholders.
- J.W. Tai President and Chief Executive Offic

	2011/3	2012/3	2013/3	2014/3	2015/3
ASSETS	241,110	193,772	187,866	350,634	232,211
Current Assets :	1,053	1,341	74	20,768	22,439
Cash and cash equivalents Time	5,725	212	4,001	8,194	3,843
deposits					
Restricted cash	379,609	368,561	416,107	423,552	405,583
Notes and accounts receivable -	202,824	76,730	122,499	130,538	181,196
Trade Other Nonconsolidated subsidiaries and affiliates	15,996	12,164	24,882	20,612	22,946
rononsolidated subskilaries and annates	(2,730)	(4, 407)	(5,259)	(5,850)	(4,054)
Allowance for doubtful receivables	486,060	527,483	310,709	295,126	338,300
Inventories	93,810	90,394	19,369	23,733	16,576
Deferred tax assets Other	99,093	154,875	141,587	106,937	80,155
current assets					
Total current assets					
	1,522,550	1,421,125	1,221,835	1,374,244	1,299,195
Property, Plant and Equipment, at Cost : Land					
Buildings and structures	100,124	98,840	94,448	92,784	87,619
Machinery, equipment, vehicles and others					
wachinery, equipment, venicles and others	840,912	841,205	713,657	718,606	658,741
Construction in progress	2,041,523	2,030,081	1,726,978	1,719,244	1,651,778
r izii izi	31,269	81,245	22,874	21,415	19,896
Less accumulated depreciation	3,013,828	3,051,371	2,557,957	2,552,049	2,418,034
	(2,048,914)	(2, 178, 929)	(1,994,258)	(2,032,348)	(2,017,442)
Investments and Other Assets :	964,914	872,442	563,699	519,701	400,592
Goodwill					
Investments in securities	24,338	23,129	21,064	11,103	4,170
Investments in nonconsolidated subsidiaries and Bond					
issue cost	57,505	58,859	49,666	61,593	58,556
Other assets	40,960	40,547	106,790	112,418	109,239
	2,316	1.458	610	137	83
	273,095	11 196,575	124.099	102,484	90,074
	398,214	320,568	302,229	287,735	262,122
	2,885,678	2,614,135	2,087,763	2,181,680	1,961,909

	2011/3	2012/3	2013/3	2014/3	2015/3
LIABILITIES AND NET ASSETS	287,330	597,997	924,113	793,198	848,947
Current Liabilities :					
Short-term borrowings, including current portion	524,641	384,322	341,351	347,175	390,621
Notes and accounts payable	71,356	47,804	40,616	35,892	42,672
Trade	6,084	4,447	23,657	26,846	34,726
Construction and other	217,339	195,506	240,394	235,203	229,712
Nonconsolidated subsidiaries and affiliates	12,471	5,963	6,206	22,056	15,251
Accrued expenses Income taxes Valuation reserve for inventory purchase Other	126,692	155,041	91,196	91,255	54,655 70,370
current liabilities Total current liabilities	1,245,913	1,391,080	1,667,533	1,551,625	1,686,954
	-,,0	,		.,	.,,
Long-term Liabilities : Long-term debt	559,920	529,160	250,310	300,321	125,329
Allowance for severance and pension benefits Net	4,618	6,000	6,501	-	-
defined benefit liability	-	-	-	101,383	85,277
Deferred tax liablilities Other	11,600	29,304	14,044	10,904	7,727
long-term liabilities	14.982	13,471	14,538	10,274	12,107
	591,120	577,935	285,393	422,882	230,440
Net Assets : Common	, .	,		· · ·	
stock Capital surplus	204,676	204,676	212,337	121,885	121,885
Retained earnings (accumulated deficits) Less	268,530	268,528	276,179	95,950	95,945
cost of treasury stock	648,935	259,937	(290, 912)	135,096	(87, 448)
cost of iteasury stock	(13,863)	(13,876)	(13,872)	(13,889)	(13,893)
Net unrealized holding gains (losses) on securities Deferred gains (losses) on hedges	5,915	5,610	6,062	6,851	10,569
Foreign currency translation adjustments	(1,028)	(5,749)	(25)	(160)	780
Pention liability adjustment of foreign subsidiaries	(85,317)	(90,305)	(61,467)	(41,206)	(18, 106)
Remeasurements of defined benefit plans	(1,815)	(2,927)	(3,631)	(,=,	(
1	(1,015)	(2,727)	(3,051)	(109, 367)	(79,566)
Minority interests Total	22 612	10.226	10,166	12,013	
net assets	22,612	19,226	.,	· · ·	14,349
	1,048,645	645,120	134,837	207,173	44,515
	2,885,678	2,614,135	2,087,763	2,181,680	1,961,909

	2011/3	2012/3	2013/3	2014/3	(Millions of yer 2015/3
Net Sales	3,021,973	2,455,850	2,478,586	2,927,186	2,786,256
Cost of Sales	2,452,345	2,043,842	2,218,003	2,396,344	2,397,749
Gross profit	569,628	412,008	260,583	530,842	388,507
Selling, General and Administrative Expenses	490,732	449,560	406,849	422,282	436,572
Operating income (loss)	78,896	(37,552)	(146,266)	108,560	(48,065)
Other Income (Expenses) :					
Interest and dividends income	3,119	2,730	2,278	2,388	2,870
Interest expenses	(8,001)	(8,646)	(13, 170)	(20,726)	(23,182)
Impairment loss	-	(6,656)	(47,396)	(11,770)	(104,015)
Loss on suspension of large size LCD plant	-	(25,887)	-	-	-
Restructuring charges	(12,655)	(117, 110)	(143,397)	-	(21,239)
Settlement package	-	(18,857)	(17,899)	(67)	-
Provision for loss on litigation	-	-	(32, 321)	(1,135)	(2,140)
Other, net	(20,479)	(26,451)	(68,016)	(31,280)	6,937
	(38,016)	(200,877)	(319,921)	(62,590)	(140,769)
Income (loss) before income taxes and minority	40,880	(238,429)	(466,187)	45,970	(188,834)
Income Taxes :					
Current	26,927	19,617	17,607	38,962	27,179
Deferred	(7,244)	115,523	59,972	(5,980)	4,234
	19,683	135,140	77,579	32,982	31,413
Income (loss) before minority interests	21,197	(373,569)	(543,766)	12,988	(220,247)
Minority Interests in Income of Consolidated	(1,796)	(2,507)	(1,581)	(1,429)	(2,100)
Net income (loss)	19,401	(376,076)	(545,347)	11,559	(222,347)

# **CONSOLIDATED STATEMENTS OF CASH FLOWS**

Millions of yen

	2011/3	2012/3	2013/3	2014/3	2015/3
Net Cash Provided by (Used in) Operating Activities Net Cash	167,443	(143,302)	(81,075)	198,984	17,339
(Used in) Provided by Investing Activities	(244,613)	(159,557)	7,110	(84,940)	(16,043
Net Cash (Used in) Provided by Financing Activities Effect of					
Exchange Rate Change on Cash and Cash Equivalents	(6,254)	256,381	51,637	32,753	(136,090)
Net (Decrease) Increase in Cash and Cash Equivalents	(3,790)	(1,080)	16,418	15,971	16,371
Cash and Cash Equivalents at Beginning of Year Increase in	(3,750)	(1,000)	10,410	13,371	10,571
Cash and Cash Equivalents from Newly Consolidated Subsidiaries	(87,214)	(47,558)	(5,910)	162,768	(118,423)
Cash and Cash Equivalents at End of Year	328,125	241,110	193,772	187,866	350,634
	199	220	4	-	
	241,110	193,772	187,866	350,634	232,211

Latest Press Release on Financial Statement Separately Provided

1703\_4Q Presentation 1703\_4Q Presentation



# Toshiba

Why Toshiba, one of the Japan Icon and major consumer electronics manufacturers, fell into difficulties?

Inappropriate accounting and misconduct in financial management tremor the world.

Is this the example of Subject to fraud, we studied in "Limitation of Financial

Statements"? Why internal control did not work? Governance did not function,

Why?

# Toshiba announcement form their homepage on March 15,2017

#### March 15, 2017 Toshiba Corporation FOR IMMEDIATE RELEASE

Toshiba Resubmits Documents on Internal Management System to Tokyo and Nagoya Stock Exchanges TOKYO – Toshiba Corporation (TOKYO: 6502) today resubmitted the Written Confirmation of Internal Management System to the Tokyo Stock Exchange ("TSE") and Nagoya Stock Exchange ("NSE"). Designation of Toshiba's stock as a Securities on Alert by TSE and NSE was extended on December 19, 2016, as detailed in "Notice on Continuation of Designation of Toshiba Stocks as "Securities on Alert" issued on that date. As Toshiba announced on March 14, in "Toshiba's stock to be Designated as a "Securities Under Supervision (Examination)," with today's submission Toshiba's stock is now also designated as the Securities Under Supervision (Examination).

Today's resubmission of the written confirmation of internal management system to TSE and NSE comes 18 months after the designation of Toshiba's stock as a Securities on Alert as of September 15, 2015, as also detailed in the March 14 announcement.

TSE and NSE will review the resubmission and evaluate Toshiba's current internal management system, and decide whether they cancel its stock's designation as the Securities on Alert or not.

Toshiba will make timely announcements on the progress of the review.

Toshiba will continue steady implementation of measures to improve its internal management system, and requests your ongoing support.

http://www.toshiba.co.jp/about/info-accounting/index.htm

Please visit Toshiba Home page and find out more on Toshiba Trouble

#### Actions Taken in Response to Inappropriate Accounting

Toshiba Corporation expresses sincere apologies to our shareholders, customers, business partners

and all other stakeholders for any concern or inconvenience caused by issues relating to the appropriateness of its accounting treatments.

With the new management team and governance structure, Toshiba as a whole will unite to make every effort to regain the trust of shareholders, investors, all other stakeholders and members of the public, and asks for your understanding and ongoing support. Toshiba Corporation

Left blank to indicate your group presentation Each group to make a presentation on findings from reading and analyzing Toshiba.

# Final Quiz 4th Day

Please answer the Quiz separately provided.

# [ANNEX4-1]

## Проект по внедрению Практического КАЙДЗЕН

Проект для оптимизации процессов и улучшения организации производства для предприятий Казахстана.

Для реализации проекта привлекается японский эксперт в области Кайдзен, который работает на предприятии совместно с местными консультантами. После проведения диагностик компаний начинаются посещения и консультации экспертов. Далее один представитель от каждой компании отправляется для обучения в Японию. Двухнедельный тренинг предоставит возможность посетить не менее 6 предприятий. Японское Агентство Международного Сотрудничества (JICA) берет на себя все расходы, кроме авиабилетов.

## Канат Сарсенбаев, директор ТОО «ПРОМЕТ»

«Крупный заказ, который мы получили во время проекта, невозможно было бы принять три года назад. Однако теперь, благодаря тому, что у нас появилось поточное производство и понимание, как можно оптимизировать процессы, мы уверены, что сможем выполнить этот заказ эффективно и в срок».

Казахстанско-японский центр был открыт в 2002 году как проект JICA. Несмотря на завершение проекта в 2012 году и переход под правление Университета Нархоз, Казахстанско-японский центр все еще продолжает реализовывать свою важную миссию по ознакомлению казахстанцев с удивительной культурой Японии, качественному обучению японскому языку и развитию человеческих ресурсов через программы бизнес образования.

Кандосова, 55 Алматы, Республика Казахстан 10М6D2 азахстанско-японский центр Кандосова, 55



# Практический КАЙДЗЕН

# Казахстанско-японский центр развития человеческих ресурсов

www.kjc.kz bcd@kjc.kz Тел. +7 (727) 377 1339 Факс +7 (727) 371 1346



Kazakhstan-Japan Center for Human Development



# Мир Практического КАЙДЗЕН

Ничто не может быть идеальным, поэтому мы должны жить в постоянном стремлении достичь наиболее возможный вариант совершенства. Непрерывный анализ своих ошибок и работа над их предотвращением, улучшение условий исходных данных являются частью философии Кайдзен. Однако, возвращаясь к началу нашего пояснения, мы находим, что даже Кайдзен несовершенен. Японские эксперты в сфере контроля качества и производства, долго работая под флагом принципов непрерывного улучшения, пришли к выводу, что есть в них некоторые упущения, которые необходимо восполнить, чтобы не только японские компании могли применять инструменты Кайдзен, но и продвигать его на международном уровне Таким образом, совершенствуя японскую философию управления, эксперты пришли к концепции Практического КАЙДЗЕН. Практический КАЙДЗЕН это новая ветвь, которая исходит от основных принципов, это не пародия на оригинал, а усовершенствованная версия. Если вы затрудняетесь в понимании данной концепции, мы предлагаем вам следующую аналогию: все мы в курсе, что программные обеспечения со временем устаревают, усложняя нашу работу, увеличивая время производства. Для поддержания эффективного рабочего процесса разработчики ПО предоставляют нам обновления. Эти обновления могут прийти как в виде доработок некоторых ошибок, так и вместе с новыми функциями.

Так какие же апгрейды к исходной философии нам предлагают японские эксперты? Во-первых, Практический КАЙДЗЕН возможно будет применять во всех сферах деятельности компании. Он позволяет решать не только проблемы производства, но других отделов тоже. Во-вторых, инструменты старого Кайдзен были интегрированы и упрощены, чтобы их можно было применять немедленно и получать качественные результаты. В-третьих Практический КАЙДЗЕН дает не только решения поставленных задач, но и видение и гарант для будущего развития компании. Вместе с данным методом легко представить картину будущего и создавать путь для ее достижения.

На основе данного метода был разработан Мир Практического КАЙДЗЕН, площадка для развития компании. Став участником данной платформы, вы получаете неограниченный доступ к постижению японской философии и перенятия опыта у экспертовпрактиков. Ваше предприятие станет полотном для японских экспертов и местных консультантов, на котором будет создаваться уже лидирующая по стране компания. Вместе с диагностикой, консультациями и аудитом ваших результатов вы имеет возможность разработать стратегию для успешного будущего. Разработка долгосрочной стратегии вашей компании совместно с ведущими экспертами это несомненно залог достижения вашей **мечты!** 

## Чем отличается Практический КАЙДЗЕН от обычного КАЙДЗЕН?

Самым главным отличием ПКАЙДЗЕН от КАЙДЗЕН является ориентированность на вовлечение руководства на начальных стадиях проекта. Когда мы говорим об обычном КАЙДЗЕН, мы подразумеваем классический КАЙДЗЕН, который был описан в книге г-на Масааки Имаи «Кайдзен. Путь к успеху японских компаний». В своей работе г-н Имаи разделил Кайдзен на три направления, как показано графически.

Платформа мира ПКАЙДЗЕН оперирует на вершине пирамиды гна Имаи, то есть предлагает ПКАЙДЗЕН для менеджеров и руководителей. Это связано с миссией ПКАЙДЗЕН помочь компаниям стратегически оценивать обстоятельства для достижения долгосрочных целей и реализации мечты, что невозможно без прямого включения высшего руководства. Стоит добавить, что в то время, как Классический КАЙДЗЕН предоставляет ряд инструментов для решения производственных проблем, Практический КАЙДЗЕН смотрит на проблему с разных сторон, включая производство, но не исключая другие подразделения компании.

## Можно внедрить Практический КАЙДЗЕН на казахстанском предприятии?

Можно, потому что Практический КАЙДЗЕН имеет универсальный подход, подстраивающийся под любую характеристику страны. Необязательно быть японцем или знать корпоративную культуру японских компаний, чтобы добиваться положительных результатов, применяя данный метод.

### Какие результаты ожидать от Практического КАЙДЗЕН?

Несомненно результаты каждой компании будут индивидуальны в зависимости от поставленных задач, но основной эффект Практического КАЙДЗЕН нацелен на увеличение эффективности работы персонала, качественного улучшения производственной среды и культуры организаций, их роста и конкурентоспособности. В свою очередь японские эксперты-консультанты, ведущие проект дают не только новые знания и идеи, но и импульс к их реализации. Тем самым повышая мотивацию сотрудников.

2017/7/11





















## 2017/7/11





2017/7/11





Guidance for case study Component 3 HUMAN RESOURCES TOOLS USED								
TOOLS USED RESULTS OBTAINED								
PERSONAL INTERVIEWS	<ul> <li>Process records</li> <li>Problem identification</li> </ul>							
EXPERT GROUP MEETINGS	<ul> <li>Unification of criteria</li> <li>Creation of monitoring standards</li> <li>Creation of process standards</li> <li>Creation of standard tables</li> </ul>							
SELF-EVALUATION SURVEY	<ul> <li>Data update</li> <li>Knowledge of safety procedures</li> <li>Identification of sectorial and organizational problems</li> <li>Proposed solutions and improvements</li> <li>Organizational climate</li> </ul>							
VERSATILITY MATRIX	<ul> <li>Current situation of our jobs</li> <li>Aptitude and willingness to teach</li> <li>Interest in learning</li> <li>Qualification level</li> <li>Personal aptitudes</li> </ul>							
	6							



		Guidance for case study OF RESULTS (component-1) DULD CURING
	AIM	RESULTS OBTAINED
		✤Process standardization
	INCREASE MACHINE AVAILABILITY IN CURING	• Reduction of process times: 30 minutes per cycle, the equivalent of 13%. It represents a weekly saving of $1^{1/2}$ hours per mould and $17^{1/2}$ hours in total.
		Improvement of production planning
	SECTOR	<ul> <li>Improvement of element organization</li> <li>Change in machinery layout: By altering the layout of the moulds according to the production volume criterion it is possible to save 48 metres daily in the transport of the product (under implementation)</li> </ul>

	Guidance for case study 18 T OF RESULTS (component 4) FAULT STUDY
AIM	RESULTS OBTAINED
IMPROVE THE QUALITY OF THE SALES FORCE INSPECTION	<ul> <li>Identification and quantification of the causes of rejection at Initial Inspection</li> <li>Planning sales force training</li> <li>Reduction of freight and Initial Inspection costs</li> </ul>
INCREASE PROCESS QUALITY	<ul> <li>Recording, identification and quantification of process faults</li> <li>Planning operative training</li> <li>Implementation of remedial actions</li> <li>Reduction of process faults</li> <li>Reduction of costs associated with lack of quality</li> </ul>

	Guidance for case study 19 RESULTS (component 3) I RESOURCES
AIM	RESULTS OBTAINED
	<ul> <li>Knowledge of staff and their real abilities</li> <li>Knowledge of problems and possible solutions by the players involved</li> <li>Identification.of educational needs</li> </ul>
INCREASE OPERATIVE CAPABILITIES	<ul> <li>Planning and execution of training programmes among the staff</li> <li>Process standardization</li> </ul>
	*Fostering participation by the operatives
	Improvement of organizational climate



## 企業へのPractical KAIEN実施認定制度概要(公開)

#### Practical KAIZENとCertificateの背景

#### なぜ Practical KAIZENなのか?

「生産・品質管理」には、部門内では解決できない問題が多く、社内部門間のみならずSupplierやCustomerまで含めたCross Functionalな 問題に取り組む必要がある。今井氏はKAIZENには3つのレベル1)Management Kaizen, 2)Group Kaizen, 3)Individual Kaizenが あると書いているが、Cross Functionalな問題を扱うのは1)のManagement Kaizenである。

2014年にKJCの新しい方向を探るための企業訪問調査を行った中で、ある企業はあるコンサルタントの指導を受け問題は分かったが解決のための 実践は進んでいない、ある企業は小さな改善は出来ているが大きな問題は手付かず、ある企業はトップが社内のあらゆるところにカイゼンのロゴを 張って自慢していたが表面的なカイゼンの域を出ていない、ということが分かった。

2015年にDAMU/KJCのPilot Project発足に際し、KJCはこれまでの経験を活かして、他のコンサルが出来ない企業にとって重要な問題を扱う Management Kaizenを小職がシンガポール生産性向上プロジェクトの経験を踏まえて開発した"Practical KAIZEN"を活用して取り組むこと にした。KJCでProjectを担当した現地専門家が、他のコンサルには出来ないPractical KAIZENのスキルを身につけてKJCのサービスを差別化 できるようにする狙いである。なおPractical KAIZENは、今井氏の了解を得て、開発し、その後、20ヶ国で実施し効果を上げているものである。

#### なぜ 企業に Practical KAIZEN Certificateを出すのか?

その後、Pilot Project に取り組み中のある現地専門家から、企業に対しKaizen Certificateを出しているコンサルがおりKJCもCertificateを 出す必要があるのではないかとの提案があった。KJC内で議論した結果、コンサルそれぞれが勝手にCertificateを出すようになると混乱を招きかね ないので、KJCがカイゼンの本質であるContinuous Practiceを推進するようなものを作るべきだという結論に至った。Awardという形も考えたが、 Awardは(かつて日本で盛んだったデミング賞のように)それを取得すること自体が目的になり、精力をつぎ込んで取得した後は活動が停滞して しまう弊害があり、カイゼンの推進には適さないという結論に至った。

思考を重ねた結果、Continuous Practiceを推進するには、企業のマネジメントと担当現地専門家が協力してステップ・バイ・ステップで向上して いくものが望ましい。それには進歩の過程を見える形で提供する武道の級・段のようなものがいいのではないか、ということで、1年間のプロジェクト 終了時に、普通に進捗すればPractical KAIZEN 3 級になる(なかなか進まない場合は 5 級、どんどん進めば 1 級)のを目途に試行を重ねた。

#### Practical KAIZEN Certificateの目的と特質

#### <目的は>

1) To motivate company in continuous practice of Practical KAIZEN for productivity and competitiveness

2) To grow company and local expert together through continuous practice of Practical KAIZEN

#### <特質は>

ISOのように絶対的レベルを証明するものではなく、KJCのプロジェクトに取り組んだ企業が、Practical KAIZENを正しく実践しているか、 成果は上っているか、について見える化することにより、その進捗を後押ししようとするものである。

従って、第3者評価ではなく当事者評価である。担当の現地専門家が、プロジェクト取り組み中の各項目(セミナーでカバーしている内容) の取り組み状況と終了時の成果を評価し、会社のマネジメントと協議して、総合的なレベルを決める。具体的には英文の項を参照のこと。 結果としてこれまでに、5級を1社に、3級を9社に、1級を4社に授与した。海外では日本の武道に憧れがあることと、武道もKAIZENも continuous practiceが重要であるということから、KAIZENに級・段を付けることに違和感がない・・・というか、むしろ上の級へ挑戦していく のを楽しみにしている・・・KAIZENのカギであるcontinuous practiceの原動力になっている感がある。(例:下記のKaravai社)

現に、1 級になったStroyclass社と Karavai社は Advanced classの Continuous Challenge Program の契約を済ませ、上を目指した挑戦を 始めている。

右の写真は、Karavai社で社内コンファ レンスの後「1級になるよ」とアナウンス した時の皆の印象的なHappy Faces。



### 企業へのPractical KAIZEN実施認定制度

## 評価基準例示 (Intermediate class)

	各項目について、どのレベルに相当するかProject/Customezed Workshop Program終了時点で評価する(重要度を該当するレベルに入れる)									
			<b>Starting</b> (5級)	重要度評価	Progressing (3級)	重要度評価	Well Progressing (1級)	重要度評価		
	レベル	の点数	5		3		1			
評価項目	重動	腰								
	大項目	各項目								
項目1	20									
項目1-1		8						8		
項目1-2		12						12		
項目 2	15	15				15				
項目 3	55									
項目3-1		15						15		
項目3-2		20		0		20		0		
項目3-3		<del>20</del>	対象外							
項目4	30									
項目4-1		20		20						
項目4-2		<del>10</del>	対象外							
項目 5	10	<del>10</del>	対象外							
重要度 計	•	90		20		35		35		
点数 重要	度各レベル	%	5	22%	3	39%	1	39%		
%で加重平均	した点数	2.7	2.7は以下の基準から	Progressing	g (又は3rd kyu)に相当	する				
修正基準 FY2017までの基準					ogressing, 1.5> point 5> point >=2.5; 3rd kg	-	gressing : >=1.5; 2nd kyu, 1.5> poir	it; 1st kyu		
		,					,,,,,			

### 適用のし易さを考えた制度

この評価基準は、カイゼンプロジェクト企業に対して現地専門家と共に実施し実効性を確認したもので、適用のし易さを考えて、以下のように Basic class, Intermediate class, Advancedの3つのクラスを用意した。

上級クラス Advanced class;	継続的挑戦プログラム Continuous Challenge Program	2つのレベル 2 levels			上級 スターティング Advanced Starting (1st kyu)	上級 プログレッシング Advanced Progressing (1st dan)	
中級クラス Intermediate class;	実践的カイゼンプログラム Practical KAIZEN Program	3つのレベル 3 levels		中級 スターティング Intermediate Starting (5th kyu)	中級 プログレッシング Intermediate Progressing (3rd kyu)	中級 ウエル プログレッシング Intermediate Well Progressing (1st kyu)	
基礎クラス Basic class;	実践的5S及びKaizen プログラム Practical 5S & Kaizen Program	2つのレベル 2 levels	基礎 スターティング Basic Starting (7th kyu)	基礎 プログレッシング Basic Progressing (5th kyu)			