

SMEs to apply Japanese work philosophy: Sido

PRODUCTION. The Small Industries Development Organisation hopes the Kaizen philosophy will unleash enterprises' dynamism and improve productivity

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Dar es Salaam. Tanzania's small and medium-size enterprises (SMEs) will be applying a Japanese philosophy to improve manufacturing quality and productivity.

The Small Industries Development Organisation (Sido) is in the process of introducing the Kaizen philosophy in an effort to bring about effectiveness to management and improve productivity through behavioural change to workers and promote their creativity and ingenuity.

Kaizen is Japanese word for improvement. "Kai" stands for "better" and "zen" for "work".

Based on experiences of Japan in terms of quality and productivity improvement.

In 2013 Tanzania's Ministry of Industry, Trade and Marketing sought Japanese government assistance on improving manu-

facturing quality and productivity.

It is in the government efforts to make Tanzania a middle income economy by 2025 through agriculture-led industrialisation.

Agriculture employs 75 per cent of Tanzania's workforce. The sector, which accounts for 27.5 per cent to the gross domestic product, contributes to export earnings by 85 per cent. Its annual growth stands at four per cent. The manufacturing sector employs 10 per cent of the workforce and contributes to GDP by a quarter.

Sido director general Omar Balari told *BusinessWeek* that the project, which is under the Ministry of Industry, Trade and Investments is being implemented by Sido and the College of Business Education.

More than 10 people have been trained to provide advice to SMEs on the best practices.

"We started a pilot project in 2013 in Dar es Salaam, Morogoro and Dodoma regions, which is expected to end this year, before rolling it out countrywide," he said.

According to him, the pilot



The then First Lady Salma Nkwete inspects products of small and medium-sized enterprises during an exhibition at the Mtwara Museum.

economy," he says.

Mr Balari says the impact of applying Kaizen in Tanzania has changed employees' mindset against work, created room for improvement in workplaces.

Self-motivated proposals from employees for improvement, improvement of work efficiency, reduction of waste or unused materials and reduction of defective products.

The Japan International Cooperation Agency's deputy director general for private sector development, Mr Susumu Katsumata, says Kaizen aims at creating employment, generating incomes, providing suitable goods and services as well as strengthening industrial competitiveness.

He also calls for improvement of business environment.

"Our objective is to provide a platform whereby institutions promoting quality and productivity improvement in Africa can meet to share, accumulate and develop their experience and knowledge on Kaizen," he says.

According to him, Kaizen is also practised in developed countries including the US. In Africa it is implemented in Tanzania, Egypt, Ghana, Kenya, Tunisia, Ethiopia, Zambia and Cameroon.

Kaizen is succeeding in Ethiopia. Researcher Tomoko Inaba says Kaizen is not a set of tools but long-term mindset in which every single employee is committed to make things better.

MORE INFO: ABOUT IMPACT OF KAIZEN

According to researcher Tomoko Inaba, they have been able to rectify raw materials defect used for manufacturing by \$340,000 in just one company.