



TICAD8 Side Event: Africa Kaizen Initiative

"Accelerating African Industrialization by Applying Kaizen and Creating Decent Work"

Panel Discussion

"How AKI contributes to African industrialization goals"

24 August 2022

Toru Homma

Senior Advisor on Private Sector Development, JICA

Towards a resilient, inclusive, and prosperous Africa







Factors that hamper industrialization of Africa



Internal Factors

Weak Firm
Capability
(Management,
Technical)

Weak
Entrepreneur
Capability for
Innovation



Lack of Access to Global Business (Trade & Investment)

Lack of Access to Finance



Unfavorable Business
Environment
(incl. Policies &
Regulations)

Fundamental
External Issues (incl.
Security, Climate,
Population etc.)

Comprehensive approach of private sector development

- 5 critical approaches for strengthening competitiveness by JICA with partners -



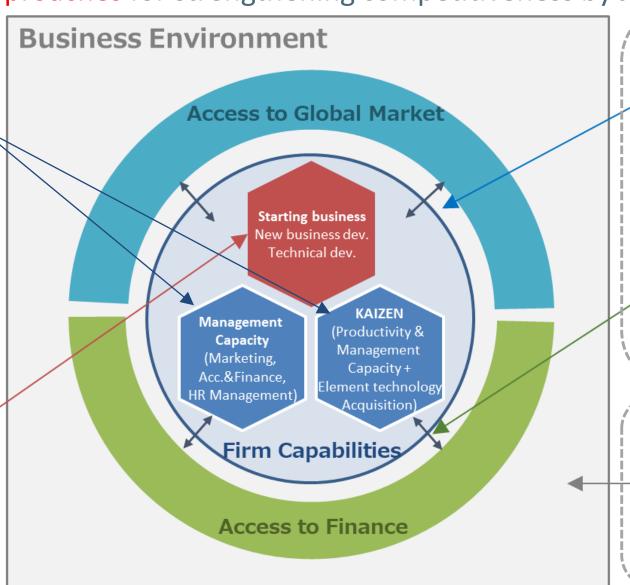
3 Firm Capability Enhancement

- · Management capacity: Provision of BDS (Business Plan, Marketing, Accounting and Finance etc)
- Technical capacity: Improvement of quality and productivity management

5 Facilitation of radical innovation

- Effective entrepreneur development programme
- Development of new business (renovating business models)
- Industry-governmentacademia partnership





4 Business Linkage **Promotion**

B to B

- Support value chain development
- Facilitate business matching B to C
- Utilise E-Commerce



2 Improvement of access to finance

- Funding startups (e.g. Venture capitals)
- Promoting innovation in financial service for SMFs

1 Reform of policies and regulations

- · Industrial policy reform
- · SEZ development, investment promotion
- · Business Environment Reform





Africa Kaizen Initiative (2017-2027)

Goals, achievements and extensions

Goal

- Accelerate industrialization and economic transformation
- Create employment and decent work
- Develop innovative human resources

Achievements so far...

Beneficiaries of Kaizen

25 countries

1,367 Kaizen trainers

18,096 enterprises

282,000 managers and workers

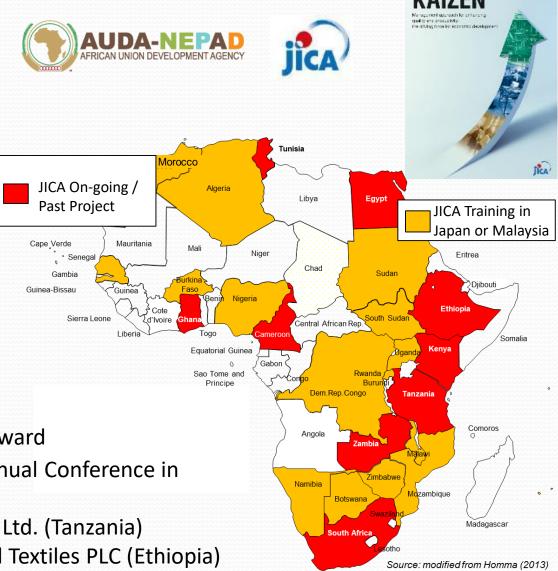


For example, in case of Ghana

37% increase in productivity

45% decrease in defect rate

53% increase in sales





 $\mathbf{1}^{\mathsf{st}}$ Africa Kaizen Award (at Africa Kaizen Annual Conference in Tunis in June 2019)

- A to Z Textile Mills Ltd. (Tanzania)
 - MAA Garment and Textiles PLC (Ethiopia)

Africa Kaizen Initiative (2017-2027)





Publications and Africa KAIZEN Annual Conference

"KAIZEN HANDBOOK" (2018)

https://www.jica.go.jp/english/news/field/2018/180625 01.html



Open access:

https://www.palgrave.com/jp/book/97833199139

"Workers, Managers, Productivity: *Kaizen* in Developing countries" (2020)

Open access:

https://link.springer.com/book/10.1007%2F978-981-15-0364-1

"Promoting Quality and Productivity Improvement / Kaizen in Africa" (2022)

https://www.jica.go.jp/jicari/publication/booksandreports/20220210_02.ht ml









Africa KAIZEN Annual Conference (since 2016) incl. Award Ceremony for the Africa KAIZEN Award (since 2019)

- Addis Ababa, Ethiopia (2016)
- Nairobi, Kenya (2017)
- Durban, South Africa (2018)
- Tunis, Tunisia (2019)
- On-line (2020)
- Dar es Salaam, Tanzania (2021)
- Yaoundé, Cameroon (2022 forthcoming)



AKAC 2021 in Tanzania: "Opportunities to Accelerate Industrialization and Trade in Africa"





Evolution of Africa Kaizen Initiative along with the TICAD

TICAD V (2013)



- Industrial Human Resource Dev. Program
- Networking of QPI organization in Africa
- * Scope of Task; Established 10 TICAD centers for industrial human resource development including kaizen to more than 30,000 people in 25 countries.
- * Support for capacity building of AU/RECs through "Kaizen"



TICAD VI (2016)



- Promoting the "Africa Kaizen Initiative" throughout Africa in cooperation with **NEPAD**
- *The aim of increasing productivity by 30% at factories and other facilities that adopt kaizen. Cultivate approximately 30,000
- *Industrial human resources who will become the core of economic activities through research, practical learning, and business practice.



TICAD 7 (2019)



TICAD 8 (2022)

•?



- Entrepreneurial and corporate support (deepening of kaizen techniques in each country)
- for comprehensive support (kaizen + BDS)
- *Global networking (expanding the outreach of the initiative)
- *Development of Kaizen e-learning materials
- *Africa Kaizen Award
- *Research related to kaizen.
- -"Achieving economic transformation of Africa through Innovation" JICA-GDN/Policy Dialogue
- "Workers, Managers and Productivity -Kaizen in Developing Countries" at TICAD7 Presentation of joint research results with GDN at TICAD7 side event

*Transformed Kaizen projects into a platform

*improved access to finance.



TICAD VII side event

Africa Kaizen Initiative (2017-2027)

The way forward under consideration

Quality improvement, creating decent work and expand job creation Outcome Initiative **★**Objectives: 1. To accelerate Africa's industrialization and economic transformation 2. To create employment and decent work 3. To develop innovative human resources with competitive skills 2018 2019 2020 2021 2022 2023 2024 2025 2017 2027 2026 TICAD8 TICAD9? TICAD7 "Establishment of "Introductory "Transition Phase" 2027; COE led OPI implementation structure Phase" Phase 1:2024-25 / Phase 2: 2026-27 **Movement** COE Phase" Movement 2017-2020 2021-2023 **Expected outputs Key AKI Knowledge-Sharing** mplementation in 2025 **★**KAIZEN knowledge Achievements @ **Training through** Pillari; Advocating at Policy sharing or Kaizen 2027 established COE Level *Common KPIs (WG3) Pillar 1; Common Annual conference (6 1. AKI COE **KPIs** established times since '16, about 2. KPIs Pillar2; Creating and 1940 people 3. Curriculum **Strengthening the Function of** Pillar 2: Core COEs AKI network for participated) 4. Guideline for Center of Excellence (WG5) **Established** regional certification ____ expansion system **★**Ongoing KAIZEN Pillar 3; Pillar3; Standardizing KAIZEN 5. Data Base projects in 8 countries. Customized **Mainstreaming** in Africa 6. Donor Curriculum, *Development of certification **QPI/KAIZEN in** coordination **★**Publication of (WG1) & curriculum (WG2) Africa In financing "KAIZEN Pillar 4; (AfriKAIZEN) 7. AfPA Handbook"('18) AKAC / AKA Scale up Pillar4; Networking with 8. On -going **★**Video training institutionalized **KAIZEN Promoting Institutions** materials in '20 &'21 **Project** *AKAC / AKA (WG4) donor) **Achievements** Pillar 5; KAIZEN Strategic ★Africa KAIZEN impact survey, Pillars; Enhanced capacity of PPP Committee ? AfCFTA Studies, Award (AKA) ('19~). for Africa's industrialisation and Study Tour in 3rd **Continental KAIZEN Local** AfCFTA goals. **Expansion** Countries **AKI-AP, 5WGs, SHM, ('25)** AUDA – NEPAD Ownership & Financing Logistic support by JPC ('23)

★Goal: Africa KAIZEN Initiative can accelerate Africa's Industrialization through improving productivity and

Further consideration

Towards Kaizen for Africa industrialization

1. Kaizen and digitalization

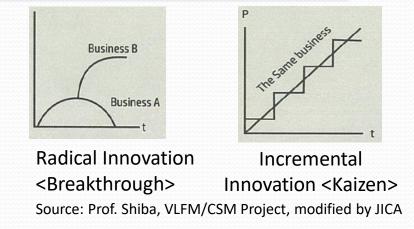
- Foundation for digital-driven (data recording)
- Affinity (SQC origin, data-driven, data sharing)
- E-learning; Remote Kaizen

2. Kaizen and innovation

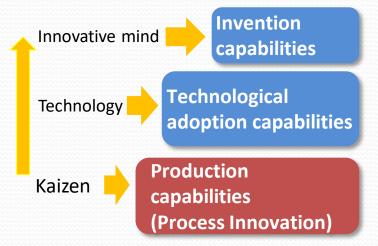
- Incremental innovation with Radical Innovation
- Ladder of Firm Capabilities (World Bank)

3. Kaizen and regional integration

- AfCFTA: African Continental Free Trade Area
- To contribute to readiness for regional integration



Ladder of Firm Capabilities

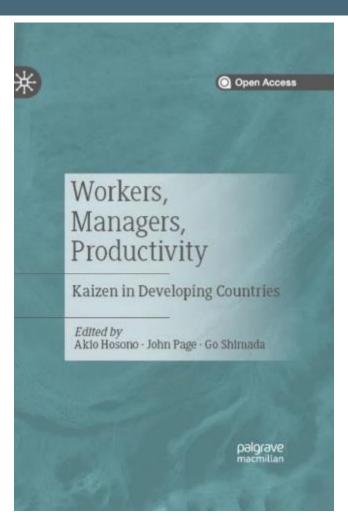


Source: World Bank (2017) "The Innovation Paradox", modified by JICA

(For reference) How Kaizen can contribute to industrialization

"Workers, Managers, Productivity: Kaizen in Developing Countries"

- Edited by Akio Hosono, John Page and Go Shimada (2020); GDN-JICA RI joint research -



Chapter 1: Overview

Akio Hosono, John Page, Go Shimada

Chapter 2: Industrial Policy, Firm Capabilities and Kaizen John Page

Chapter 3: Kaizen towards learning, transformation, and high-quality growth: insights from outstanding Akio Hosono experiences

Chapter 4: Why is Kaizen Critical for Developing Countries? - Kaizen as a Social Innovation in the Era of Global Inequality Go Shimada

Chapter 5: Kaizen promotion in Ethiopia Kimiaki Jin

Chapter 6: Kaizen Dissemination through the Government and Private Sector in Southeast Asia: Malaysia, Indonesia, and Myanmar Toru Homma

Chapter 7: Opportunities for Kaizen in Africa, Developing the Employability of African Youth through Kaizen

Momoko Suzuki, Eriko Sakamaki

Chapter 8: The Role of Kaizen in Participation in the Global Value Chain: The Case in Mexico

Keiji Katai

Chapter 9: Enhancing Learning through Continuous Improvement: Case Studies of the TPS in South Africa Keiji Ishigame

Chapter 10: Does Managemnt Matters? An Assessment of Kaizen in Brasil

Filipe Lage de Sousa, Mauricio Canêdo-Pinheiro, Bernardo Pereira Cabral,

Glaucia Estefânia de Sousa Ferreira

Chapter 11: Kaizen for Small and Medium Sized Enterprises in Vietnam

> Vu Hoang Nam, Nguyen Thi Tuong Anh, Doan Quang Hung

Chapter 12: Management Practices and Performance Improvement in Manufacturing Enterprises: The Case in Ghana

Charles Godfred Ackah,

Richmond Atta-Ankomah, Johnson Appiah Kubi

Chapter 13: Consequences of Kaizen practices in

MSMEs in the Philippines:

Nestor O. Raneses, Nelson G. Cainghog, Mili-Ann M. Tamayao, Kristine Mae C. Gotera

Open Access: https://www.palgrave.com/gp/book/9789811503634





