KAIZEN EXPERIENCE: OUTCOMES, CHALLENGES AND WAY FORWARD

BY: LINDA KANKOH
The Journey

- Started in 1997
- Incorporated in 2003
- Major Products: Apparel and Fashion Accessories
- 300 Employees
- 11 Branches
- Over 650,000 active clients in 2018
OUR AMBITION

VISION
To grow into a Global player in the fashion industry with major fashion cities across the globe, influencing seasonal collections, fashion trends, colors and playing a key role in establishing Africa's presence in the international scene.

MISSION
To be a global brand for clothing's and fashion accessories.
LABOUR FORCE

= 38% MALE
= 62% FEMALE

MALE / FEMALE

DEPARTMENTS

Production 65.8%
Marketing & Sales 17.32%
Administration 16.88%
Our Geographic Scope

BRANCHES
- BOLGA
- TAMALE
- KUMASI
- TAKORADI
- GREATER ACCRA
- ALL MAJOR MALLS IN ACCRA

OTHER RESELLERS – USA / KENYA / NIGERIA / SOUTH AFRICA / SIERRA LEONE
Our Clients

MAJOR CLIENTS

GOIL
OLAM
TOP CORE
NEDCO etc...

MEN
WOMEN
CHILDREN
ACTUAL KAIZEN ACTIVITIES IMPLEMENTED

- Monthly sales and cash flow projections
- Promotion of 5S (Lecture, formation of 5S Committee and implemented)
- Quality Control (QC)
- Design of Customer Order Sheet
- Visual Management
- Labeling of Electricity Main Switch
<table>
<thead>
<tr>
<th>KPIs</th>
<th>STATUS</th>
<th>FACTOR OF CHANGE</th>
</tr>
</thead>
</table>
| Productivity         | 86%    | 1. Reduction of movement of workers as a result of the introduction of metal racks.  
                           2. Introduction of 5S at the store room has resulted in identification and accessing accessories has become much easier and faster (Wooden section) |
| Sales Volume         | 20%    | Increase in productivity as a result Kaizen menus implemented such as fabric holder, 5s, metal rack, etc.                                      |
| Quality (Defect Rate)| 0.38%  | 1. Quality control training activities are held regularly to new comers  
                           2. Use of fish bone diagram at QC meetings to counter recurring defects                                                             |
| Production lead time | 20%    | 1. Training of workers  
                           2. Reduction of unnecessary movements due to the introduction of metal rack   
                           3. 5S implementation at the store room                                                                                      |
| Turnover ratio of employees | 20% | 1. Introduction of new production line  
                           2. Motivation of workers to stay                                                                                       |
A shelf was constructed and labelled to contain embroidery frames arranged according to their diameters for easy identification and accessibility.
OUTCOMES OF KAIZEN

5S

- It has enhanced creativity and innovation
- The accessories is another source of sales generation

This is the created accessory line as a result of kaizen (continuous improvement initiatives)
RESULTS:

- Improved Health
- Lower Absenteeism
- Rate Of Illness Reduced
RESULTS:

- Enhanced Teamwork
- Effective Decision Making
NEAT CUTTING AREA AND PRODUCTION FLOOR

Accidents rates has reduced from 3% to 0% during the last quarter after implementation of Kaizen 5s
NEWLY OPENED AIRPORT TERMINAL 2 BRANCH

- Sales has seen a tremendous growth after the implementation as a result of increase in productivity.
CURRENT STORE ROOM HAS REDUCED WASTE AND FURTHER INCREASED PRODUCTIVITY
WELL ARRANGED AND ORDERLY STORE ROOM. NO MORE MUDA (WASTE)
WELL LABELLED SEITON BOARD. MUDA ELIMINATED

<table>
<thead>
<tr>
<th>Rank</th>
<th>Brand</th>
<th>Category</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Alcoholic Beverages</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>MTN</td>
<td>Telecommunications</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>NALLEM</td>
<td>Apparel</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>Alcoholic Beverages</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>ADONKO BITTERS</td>
<td>Consumer, Non-Cyclical</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>Alcoholic Beverages</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Auto Manufacturers</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Media</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>CHOCHO</td>
<td>Consumer, Non-Cyclical</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>Alcoholic Beverages</td>
<td></td>
</tr>
</tbody>
</table>
Demand has increased greatly since the implementation of Kaizen 5S. However, there are a few challenges.

- Budget Constraints
- The need to recruit more staff
- New Machinery
- More space needed for production
- Access to export market
THE WAY FORWARD

• CONSIDER THE SUPPLIERS’ CREDIT FOR THE ACQUISITION OF MACHINES
• USE THE APPRENTICESHIP MODEL TO AUGMENT THE STAFF STRENGTH
• JICA TO CONSIDER THE ESTABLISHMENT OF AN SME FUND FOR KAIZEN BENEFICIARIES
CONCLUSION

- The implementation of Kaizen has made a positive impact on the performance of BULLUK GH LTD (NALLEM CLOTHING)
- There are noticeable improvements in all departments
- This will help the Company achieve its short and long term goal
Mrs. Linda Kankoh (COO of Bulluk Ghana Ltd.) as one of the panelists on the topic “KAIZEN Impact” during the summit.