African Kaizen Annual Conference
July 1-5/2018

[@ Durban; South Africa July 1-5, 2018]
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1. EKI’S Profile @ a glance
2. JICA’s Technical Support and Owning capacity building Projects
5. Strategic and Customized Approach to the Transfer and Development of KAIZEN-The Ethiopia Way
6. Success Factors and Challenges
1. EKI’S Profile @ a glance
EKI VISION
«Being Centre of Excellence for transformed working culture and innovation management skill by 2025».

Duties and Responsibilities
✓ KAIZEN POLICY AND STRATEGY
✓ TRAINING
✓ CONSULTANCY
✓ RESEARCH & CASE STUDIES
✓ CERTIFICATION & ACCREDITATION
ORGANIZATIONAL STRUCTURE OF EKI

EKI Council

Minister (MPSHRD)

CFM Committee

EKI Director General

Scientific Affairs

Public Relation Office

Audit and Inspection Directorate

Manufacturing Sector (Deputy Director General)
- Textile Industry KAIZEN Directorate
- Leather Industry KAIZEN Directorate
- Agro, Food and Beverage Industry KAIZEN Directorate
- Metal Industry KAIZEN Directorate
- Chemical Industry KAIZEN Directorate

Capacity Building and Regional Assistance Sector (Deputy Director General)
- University KAIZEN Directorate
- TVET KAIZEN Directorate
- School KAIZEN Directorate
- Regions and City KAIZEN Directorate

Infrastructure, Utility, and Service Sector (Deputy Director General)
- Construction works KAIZEN Directorate
- Logistic and Supply works KAIZEN Directorate
- Basic Utility Service KAIZEN Directorate
- Regions and City KAIZEN Directorate
- Natural Heritage and Tourism KAIZEN Directorate

Research and Certificate Sector (Deputy Director General)
- Research and Best Practice Directorate
- Awarding, Recognition and Certificate Directorate
- Teaching Aid Material Preparation Directorate
- Information Technology Directorate

Corporate Service and Operation Sector
- Human Resource Directorate
- Planning & Information Directorate
- Education and Training Directorate
- Director General Service
- Finance & Supply Directorate
<table>
<thead>
<tr>
<th>S. N</th>
<th>Position</th>
<th>Man Power</th>
<th>Share of Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>M</td>
<td>F</td>
</tr>
<tr>
<td>1</td>
<td>Director General</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>DDGs</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Directors</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Lead Consultants</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Senior Consultants</td>
<td>18</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>Consultants</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>7</td>
<td>Associate Consultants</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>8</td>
<td>Junior Consultants</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-Total</strong></td>
<td>76</td>
<td>44</td>
</tr>
<tr>
<td>9</td>
<td>Supporting Staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.1</td>
<td>Directors</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>9.2</td>
<td>Team leaders/Supervisors</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>9.3</td>
<td>Officers</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>9.4</td>
<td>Clericals</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-Total</strong></td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td>100</td>
<td>68</td>
</tr>
</tbody>
</table>
2. JICA’s Technical Support and Owning capacity building Projects
### 1st Project [Pilot]
(Oct 2009 - Nov 2011)
1. 30 companies nominated.
2. 10 KU members and project Director assigned.
3. 5 staff JICA experts deployed.
4. 40 KU members, company owners and managers trained in Japan for one month.
5. Experience of 10 Countries Studied
6. EKI was established (Proc.#256/2012)

### 2nd Project [Basic]
(Nov 2012-Nov 2015)
1. 57 EKI consultants trained
2. 131 TVET IE Trainers trained.
3. 51 LMEs and 198 MSEs participated.
4. Concluded with successes

### 3rd Project [Intermediate]
(July 2015-July 2020)
1. Training 90 consultants at second level KAIZEN (#51).
3. Training 32 consultants in Malaysia. (#16-2018 & 2019)
4. Developing productivity study system (#6 Companies).
5. Developing certification system (#20 Certified @ 11BC, 8IC & 1PC Levels).
6. Supporting MSC and PhD programme (MSc holders=52: 1st 18, 2nd 16, 3rd 17, 4th 20 in Progress; #5 PhD – 2018)
EKI is Always Graced by Japan Ambassador and JICA Officials

Mr. Getahun Tadesse, Founder of EKI (Former DG of EKI)
Owing Capacity Development

1. 51 consultants in MSC in KAIZEN (1st 18, 2nd 16, 3rd 17)
2. 20 consultants enrolled in MSC in Kaizen (4th Batch)
3. 34 Research papers and 36 Research Projects developed
4. 5 consultants will start PhD in Kaizen Management in 2018
5. Start BSC in KAIZEN in 2018 (OSU)
1. Introduced KAIZEN:
   - 1st Level ~ **761 companies** and institutions;
   - 2nd Level ~ 26 Mfg & Construction Industries.
2. Trained: **109,920** management and front line workers
3. Established: **14,690** KPTs
4. Monetary gains: **BIRR 2.56 Billion** (~90.4 Mil.USD)
5. Improvement Rate:
   - Quality ~ **41.3%**
   - Productivity ~ **40.1%**
   - Cost ~ **41%**
   - Delivery ~ **21.3%**

*Source:* Study on 12 Manufacturing Companies (Intermediate Kaizen Implementation)
National KAIZEN Award

<table>
<thead>
<tr>
<th>Awardees</th>
<th>Qty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies</td>
<td>57</td>
</tr>
<tr>
<td>KPTs</td>
<td>52</td>
</tr>
<tr>
<td>Individuals</td>
<td>38</td>
</tr>
</tbody>
</table>
2017 KAIZEN Month Seminars

• National KAIZEN Seminar was held on October 7.
  – Exhibition and sharing company’s Kaizen practices were organized together with the Kaizen award ceremony.
  – A total of 270 participants (including 184 participants from companies, government agencies, educational institutions and media) attended the seminar.
Regional City Based Kaizen Seminar (2017)

- In addition, regional KAIZEN seminars were organized in cooperation with four city/regional governments on September 30 (Dire Dawa), October 3 (Adama and Bahir Dar) and October 14 (Mekelle).

Mekelle (170)  Bahir Dar (83)  Adama (160)  Dire Dawa (110)

Mekelle seminar celebrated the graduation of 2\textsuperscript{nd} Batch MSc students

Best practices (e.g. Amhara Water Works Construction, Road Construction) was shared.

Best practices (e.g. Awash Meklasa, Adama TVET) was shared.

Best practices (e.g. Del Chora Hospital, Sabiyan Sec. School) was shared.
Regional City Based Kaizen Movement (2017)

Diredawa Annual Seminar
Manufacturing Sector Kaizen Movement
Memorandum of Agreement Signing with MoI [January – June 2018]

- 38 companies engaged
- 137 Consultants Developed
- 6,247 Mgt & workers trained;
- 696 KPTs established

In progress Results:

- Workplace Improved by 36%; (40%-76%)
- Searching time improved by 81.62%;
- Free Space – 5,668 M²
- Monetary gains 13,643,596 ETB,
Structure of KAIZEN consultant CARS

These two levels were targets of 1st CARS Exam

"CARS" started moving! (from Sep. 2017)
Kaizen Consultant Certification, Accreditation & Registration System
Certification Awarding Ceremony (April 25, 2018)

20 (BC: 8, IC: 11; PC:1)
Honorable Guests Welcomed by the Minister (2018)
-Expanding and deepening KAIZEN Impacts
# GTP II (2015-2020) Targets by Sector

<table>
<thead>
<tr>
<th><strong>Manufacturing</strong></th>
<th><strong>HRD</strong></th>
<th><strong>Services</strong></th>
<th><strong>Capacity building</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>160 Export Industries</td>
<td>100 TVETs</td>
<td>40 Construction Companies</td>
<td>Train 90 KAIZEN consultants at advanced KAIZEN</td>
</tr>
<tr>
<td>95 Import Substituting Industries</td>
<td>20 Universities</td>
<td>30 Tourism Organizations</td>
<td>Establish KAIZEN Institutes in Regions and Cities &amp; develop their capacity at different levels.</td>
</tr>
<tr>
<td></td>
<td>120 Elementary and High Schools</td>
<td>60 Strategic Service Organizations</td>
<td>Develop the capacity of DIs/Agencies</td>
</tr>
<tr>
<td></td>
<td>120 KGs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*6/29/2018 25*
### Number of Trainees Targeted (2008 - 2012 E.C)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008 EC</th>
<th>2009 EC</th>
<th>2010 EC</th>
<th>2011 EC</th>
<th>2012 EC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target (Sum)</td>
<td>15,000</td>
<td>17,000</td>
<td>27,000</td>
<td>36,280</td>
<td>39,860</td>
<td>135,140</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>10,878</td>
<td>12,328</td>
<td>19,580</td>
<td>26,309</td>
<td>28,905</td>
<td>98,000</td>
</tr>
<tr>
<td>HRD</td>
<td>1,902</td>
<td>2,156</td>
<td>3,424</td>
<td>4,601</td>
<td>5,056</td>
<td>17,140</td>
</tr>
<tr>
<td>Service</td>
<td>2,220</td>
<td>2,516</td>
<td>3,996</td>
<td>5,369</td>
<td>5,899</td>
<td>20,000</td>
</tr>
</tbody>
</table>

### Number of KPTs Targeted (2008 - 2012 E.C)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008 EC</th>
<th>2009 EC</th>
<th>2010 EC</th>
<th>2011 EC</th>
<th>2012 EC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target (Sum)</td>
<td>2,000</td>
<td>2,500</td>
<td>2,900</td>
<td>3,600</td>
<td>3,950</td>
<td>14,950</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,405</td>
<td>1,756</td>
<td>2,037</td>
<td>2,528</td>
<td>2,774</td>
<td>10,500</td>
</tr>
<tr>
<td>HRD</td>
<td>328</td>
<td>410</td>
<td>475</td>
<td>590</td>
<td>647</td>
<td>2,450</td>
</tr>
<tr>
<td>Service</td>
<td>268</td>
<td>334</td>
<td>388</td>
<td>482</td>
<td>528</td>
<td>2,000</td>
</tr>
</tbody>
</table>
Performance Indicators

A. Qualitative Indicators
1. Fulfilling the requirements of international buyers and competing in price.
2. Instituting innovation management principles and skills.
3. Change of attitude and working culture.
4. Customer oriented services.

B. Quantitative Indicators (PQCD)
1. Improving productivity by 30% - Productivity
2. Reducing defects on average by 25% - Quality
3. Reducing wastes on average by 50% - Cost
4. Reducing searching time on average by 30% - Delivery
5. Strategic and Customized Approach to the transfer and Development of KAIZEN
Ethiopia Kaizen Transfer and Development MODEL

1. Testing
2. Institutionalize
3. Implementation
4. Sustain

5. Ownership

Third Level 2025
Second Level 2020
First Level 2015
EK - TIISO MODEL [5 Steps & 20 Activities]

1. Learning from abroad, Japan
2. Building local capacity

1. Performance appraisal
2. Acknowledging and rewarding best performers

3. Establish institutional infrastructure
4. Producing competent consultant
5. Disseminating KAIZEN in TVETs
6. Disseminating KAIZEN in universities
7. Company selection
8. Reconnaissance survey
9. Management oriented training
10. Frontline oriented training
11. Selection of work station
12. Establishing KAIZEN promotion teams
13. Preparing and implementing improvement plan
14. Providing guidance &counseling
15. Accumulation of Best Practices
16. Customizations
17. Defining Ethiopia Kaizen
18. Certifying KAIZEN consultants
19. Developing Best Practices
20. Ownership
Consultants Assessment & Certification Process

KS applicant

Paper test
- Score

Kaizen starter (Transcript)

Certified consultant (BC, IC, AC)

BC, IC, AC applicant

Qualifications for exam
- Academic background
- Job experience

Paper test
- Score

Overall evaluation
- Scores of the paper and oral tests
- Job experience
- Others Certified consultant (PC)

PC applicant

Qualifications for application
- Career of more than five years as director or AC

Oral test
- Score

Overall evaluation
- Scores of the oral tests
- Contribution to Kaizen dissemination

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Integrated City-Based Kaizen Movement

Cities where Industrial parks are found: Hawasa, Mekelle, Kombolcha, Adama, DD, AA, Bahirdar/

[Enhancing Competitiveness of the Manufacturing Sector]

KAIZEN philosophy and its Dissemination

Educational Institutes
- Kindergarten
- School
- Univ

Manufacturing sector
- Micro & small Enterprises
- Medium
- Large

Public works
- Basic utilities
- Construction
- Hotel & tourism
- Clinic & Hospital

Manufacturing sector
- Micro & small Enterprises
- Medium
- Large

Copyright of EKI
5. Success Factors and Challenges
Success Factors

1. Commitments of the government
   ✓ Establishing EKI, providing political support and leadership.
   ✓ EKI get Budget from MoFEC.
   ✓ EKI Reports to MoPSHRD (supervisory ministry) and the parliament.
   ✓ JCC is led by the Minister and National Kaizen Council is led by the Prime Minister.

2. Commitments and strengths of EKI’s leadership, the staff of EKI [young trainable and committed consultants]

3. Establishing a system of succession plan (Develop and grow Kaizen leaders from within)

4. Commitments of managers, supervisors, Kaizen leaders and KPTs of successful companies and institutions

5. The encourage and continuous support of JICA
Challenges

1. Commitment expected from companies and different stakeholders
2. Frequent turn over of Kaizen leaders, company managers and supervisors
3. Lack of Comprehensive understanding of KAIZEN
4. Business ethics and transparency issues (Unwillingness in providing relevant Information)
5. Fear of Change
New EKI building to be completed in 2020
[USD27.5 Million & 3,700 Square meter secured]