### Working Group 1&3

Interim Report for AKAC 2021.

2021.08.26 Chair of WG 1&3 Mr. Hosni Belhadj, CETIME, Tunisia

## Schedule of WG 1&3 in the half of the year 2021

Date	Ageda	Outcome
19/01/21	2 <sup>nd</sup> Meeting to share the current situations <u>focusing</u> on the certification system	
16/02/21	3 <sup>rd</sup> Meeting to share the current situations <u>focusing</u> <u>on KPIs</u>	Shared data and information
17/02/21- 16/03/21	<ul> <li>Implementing 3<sup>rd</sup> assignment</li> <li>Reviewing the findings reported in the previous 2 meetings (2<sup>nd</sup> and 3<sup>rd</sup>)</li> <li>Identifying the difficulties/existing problem to set up the certification system and to apply common KPIs in each country</li> <li>Brainstorm the way forward</li> </ul>	
17/03/21	4 <sup>th</sup> Meeting to discuss findings and challenges specified in the previous 2 meeting and discuss the	
20/04/2021	5 <sup>th</sup> Meeting to deepen the discussion of common KPIs, focusing on the current situation about KPI in each country	Idea to move forward was shared and agreed, while the current status of KPIs in each country is shared.
25/05/2021	6 <sup>th</sup> Meeting to discuss the methodology to express the Kaizen effect by financial figures	4 methodology was suggested and 2 among the four was selected.
17/06/2021 And 03/08/2021	7 <sup>th</sup> and 8 <sup>th</sup> Meeting to discuss the format to express Kaizen effect by financial figures	The formats to express Kaizen effect by financial figures was explained and agreed.

# Theme (WG) 1: Certification System

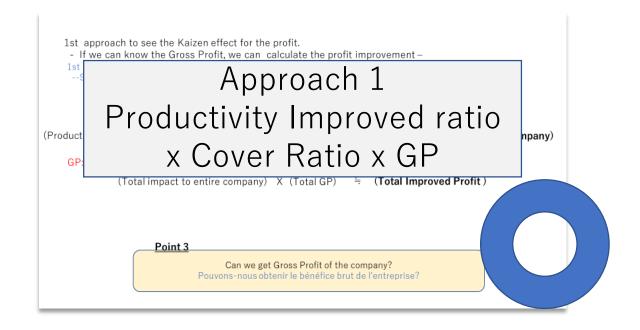
- 1. We have summarized the current status of Certification system in each country by making the chart and waiting for the several rest countries will reply.
- 2. Regarding the certification system, after the summarization, we need to decide the pilot country to be assisted for setting up the certification system by the scheme of JICA survey.
- 3. Based on the pilot activities in the selected pilot country, we will decide the contents of the "guideline" for AUDA-NEPAD.
- 4. However, it might be still difficult to start the pilot activities soon because of COVID-19. Maybe from autumn? Therefore, we agreed that we will concentrate more on the discussion about KPI for the time being.

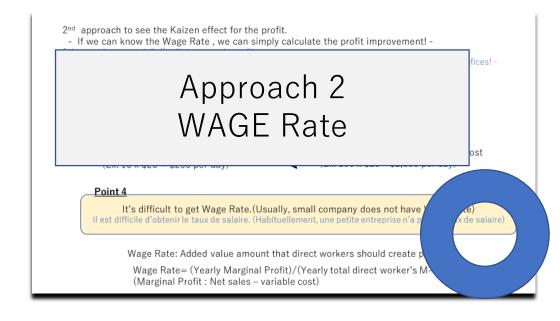
#### Expected Monitoring system of Common KPIs by JICA survery team

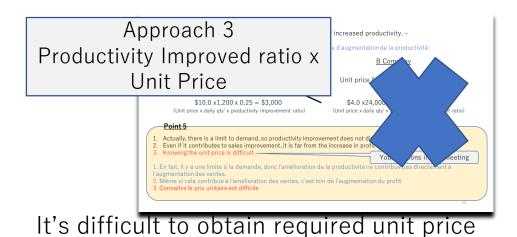
	In Companies	In Countries	Transcontinental			
Actor	Kaizen consultants of each country	Kaizen promotion organization officers of each country	AUDA-NEPAD officers			
Content of collected data	<ul> <li>Labor productivity (person-hours) in model area</li> <li>Defective rate</li> <li>Yield rate</li> <li>On-time delivery rate</li> <li>Waste reduction volume</li> </ul>	Aggregates the raw data for the five indicators at left and Kaizen rates for each by sector	Aggregates the data in a format that is easy to use for AUDA-NEPAD advocacy such as by sector, by regional economic communities (RECS), by SDG theme, etc.			
	<ul> <li>Monetary amounts directly linked to enhancing added value that can be converted into monetary value</li> </ul>	Aggregates the data at left by sector				
Frequency	Sequentially after completion of each company's Kaizen implementation	Once every six months (discussions necessary in the same span)	Once every year (discussions necessary in the same span)			
Method	Transition from submission of Excel files through individual emails to submission via a simple data base using G-Suite					
Recording/ reporting format	After compiling the Kaizen results sheets, enters data into Excel files for reporting (or into the database after its creation).	Aggregates and edits the Excel forms used for the reporting at left  ⇒ Aggregates and edits through the database after its creation	⇒ Aggregates and edits through the			
Feedback method	Includes Kaizen results sheet in company reports	<u>Creates annual Kaizen reports</u>	Creates the African Kaizen White Paper			

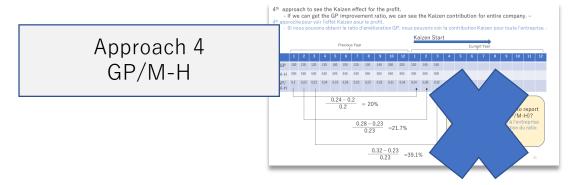
## Theme (WG) 3: Common KPIs

-How to express the Kaizen effect by financial figure-







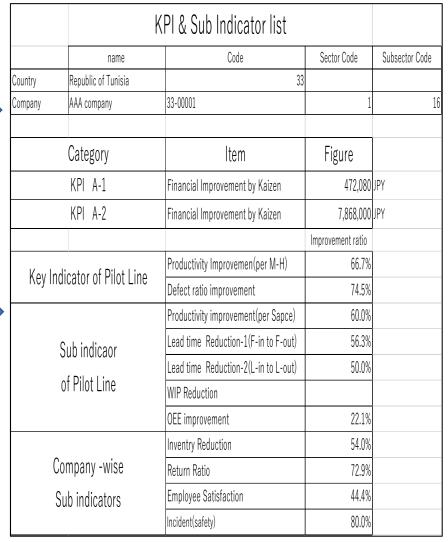


There are factors other than Kaizen effect

#### Format to calculate automatically into the Kaizen effect by financial figure

	Company Informat	ion				
	Name	CODE				
Country	Republic of Tunisia	33				
Company	AAA company	33-00001				
Sector code	Manufacturing	1				
Manufacturing Subsector Code	Electronics	16				
Service Subscetor Code	Service Subscetor Code	Code				
	Item	Difinition				
	Minumum Wage/Hour	legal minimum wage	100	TND		
Basic Condition			3,934.00	JPY		
Dasic Condition	Pilot Line coverge ratio	Gross profit base or Sales base	30%			
	Yearly Gross Profit	last year actual	1,000,000	TND		
Field	Item	Difinition	Condition Before Kaizen	Condition After Kaizen	Improvement ratio	Output/Input Units
rieiu	item	Diffillion	Condition before Kaizen	Condition After Naizen	improvement ratio	Output/Input Onits
	Output	Qty',Number of Customer,CS,Sales etc.	800	1,200		Daily
Key Indicators	Input (M-H)	Man-Hour(M-H)	200	180		Daily
of Pilot Line	Productivity(Output/M-H)		4.000	6.667	66.7%	
	Defect(%)	(Number of defect product/ Products Quantity)	5.50%	1.40%	-74.55%	
	Used Space	M <sup>2</sup>	300	250	-50	
	Space-Productivity		2.67	4.00	133.3%	
						Time unit
Sub indicaor	Lead Time(Factory-in to Factory-out)	Second,Minite,Hour,Day	7,200	2,880	60%	PLS INPU
of Pilot Line	Lead Time(Line-in to Line-out)	Second,Minite,Hour,Day	80	35	56%	PLS INPU
	WIP(Qty')	The average number in the line	100	50	50%	
720	0 OEE	AvilabilityxPerformance xQuality	68.00%	83.00%	22.06%	
	Inventory (from B/S)	Inventory Amount in B/S	500,000	230,000	22,0070	
	Yearly Net Sales	Net sales	2,000,000	2,000,000		
	Inventory Turnover(D/S)	Not suits	91.3	42.0	54.0%	
Company -wise	vontory runnover(D/O)		31.3	72.0	34.070	
Sub indicators	Return ratio(%)	The number of return product/shipped Qty'	8.50%	2.30%	72.94%	
						1
	ES score(point)		45	65	44.4%	

# Pilot implementation of the format in the 3<sup>rd</sup> quarter



Financial effect of Kaizen

**GEMBA KPI**