

- Reduce operational costs
- Reduce wastage
- Optimise the utilisation of enterprise resources whilst increasing revenues
- Deliver goods and services on time
- Reduce excessive paperwork
- Eradicate unproductive meetings
- Encourage Team work
- Increase market share and competitive edge of company
- Introduce and ensure Quality Management
- Increase staff morale with productivity-linked incentive schemes
- Inspire and maintain collaboration and constructive relationship between workers and managers
- Use technology and encourage innovation; use of innovative ideas to drive economic growth as compare to input driven growth
- Increase leadership, management and workers skills
- Focusing on “the right things to do” and doing “those things right”
- Adopt a practice of setting measurable strategic objectives and operational targets
- Increase value adds by continuously engaging key stakeholders and customers in the production and delivery of good services.

Productivity Drivers:

- Skilled workers and local expertise
- Education system that is aligned to industry needs
- Appropriate trained staff in the right position
- Excellent staff moral: Happy workforce
- Fairness and equal treatment of employees
- Transformational leadership
- Excellent communication, involvement and consultation with employees
- Reward for excellent performance
- Appropriate equipment and responsive technology

Productivity Barriers:

- Lack of clear directions and goals
- Excessive paperwork
- Red tape (too many policies, regulations and compliance requirements)

- Processes that are not optimized
- Long, purposeless and unstructured meetings
- Use of inappropriate systems and tools
- Inadequate leadership
- Poor teamwork
- Business cycles and structural inadequacies
- Lack of skilled human resources
- Unstructured and uncoordinated work methods

Productivity Messages:

- “Make things right the first time and every time”
- “Working on the right things in the right way”
- “Productivity is a marathon without a finishing line”
- “Productivity is everybody’s business”
- “Work for continual improvement”
- “Innovative ideas equal productive nation”
- “Prosperity through productivity”
- “Protect and use resources sustainability, leave the planet in better shape than we found it, for future generation”
- “Usher a brighter future through Green Productivity adoption”
- “Are you productive or just being busy?”

Our Contacts:

Ministry of Labour, Industrial Relations and
Employment Creation
Directorate Labour Market Services
Division Labour Market Information
Productivity Promotion Unit
P/Bag 19005
Tel +264 61 206 6242/6
Fax +264 61 206 6270



Republic of Namibia

MINISTRY OF LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT CREATION



Productivity Namibia

Achieving A Competitive Namibia

Productivity Concepts Defined

What is Productivity?

- Productivity is a state of mind: a mindset that embraces the value of “doing what I do today better than I did yesterday, and even better tomorrow.” *A productive person or organisation seeks to continuously improve their performance.*
- Productivity is commonly known as the relationship of the output produced during a given period of time and the quantity of input factors used to create those outputs over the same period of time.
- Productivity enables the economy to produce more with the same or less inputs resulting in economic growth and improved living standards of the people.
- It is the efficient and effective utilisation of input (resources) to obtain a desired output, it is about doing things right the first time (*quality and efficiently*) and do the right things (*effectiveness*).
- It is the strength of mind that improves on the present situation, no matter how good it may seem, no matter how good it may really be.

- Productivity is about removing barriers to individual performance, freeing up resources from unproductive processes and reallocating those resources to higher yield activities that support corporate growth objectives. It is a positive method that leads to greater job satisfaction and positive employee engagement rather than job losses and downsizing (Tor Dahl).
- Productivity is an attitude of mind that strive for and achieves the habit for improvements, as well as the systems and the set of practices that translate the attitude into action (National Productivity Board, Singapore).
- It is the constant adaption of economic and social life to changing conditions.
- It is the continual effort to apply new techniques and new methods.
- It is the faith in human progress and it is marathon that never ends.

Benefits of Productivity:

- Increased productivity levels generates capital and opportunities to create more employment.
- Enhanced productivity levels create conducive working environment for workers and management and should lead to increase in salaries and wages and ultimately improves the employees' living standards and job security.
- Government benefits from increase in productivity levels as resources arising from productivity growth escalate its capacity to delivery services efficiently and effectively to the public.
- Productivity growth lowers the prices of goods and services for the consumers.
- To the public at large, higher productivity means reduction of inflation, provision of more job opportunities as well as improved living standards.
- Promotion of productivity ensures enterprises competitiveness.

- High productivity for a nation reduces poverty as more inhabitants become employed and self-reliant.

Importance of Promoting Productivity:

- **It creates employment** – There is a strong correlation between increased national productivity levels and the level of employment.
- **Labour standard** – Promotion of productivity within the workplace encourages positive labour and management relations which in turn enhances productivity growth and enterprises competitiveness.
- **It reduces poverty** – It is proven that high productivity for a nation reduces poverty as more inhabitants become employed and self-reliant.
- **It ensures human rights and democracy** – This can be exercised through creating a conducive working environment within enterprises, encouraging entrepreneurship through embracing innovative ideas through self-employment and enterprise development that enable the citizens to create employment opportunities.

Productivity- Related Concepts Defined:

Efficiency:

Efficiency is the ability of a person or machine or both to complete a task correctly, within the time allowed and without wastage of resources. If the time taken to complete a task is equal to the time allowed for the task, the efficiency achieved is 100%.

- Producing a high quality goods or services with minimum use of resources and on time
- Doing things right
- Doing what is necessary and adequate
- Conversion of inputs into outputs in the optimum feasible way to yield the highest returns in terms of products and services.

Effectiveness:

Effectiveness refers to an organisation's ability to render services or produce products that meet or exceed the expectations of its clients.

- Doing the right things.
- Deciding and choosing the right outputs.
- The manner in which a company or an organisation meets the needs and expectations of its customers.

Competitiveness:

- The ability of a company, industry sector, region or country to provide services and products as or more efficiently and effectively as compare to their competitors (Asian Productivity Organisation).
- Competitiveness is the ability to match or beat the world's best firms in costs and quality of goods or services (TEIAN Consulting International Pte, 2008).
- Competitiveness is defined as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be earned by an economy (World Economic Forum, 2014).
- Sustainable Competitiveness reflects the search for a development model that would balance economic prosperity, environmental stewardship, and social sustainability (World Economic Forum, 2013).

Quality:

- Quality is meeting or exceeding customers' expectations.
- Continuous improvement on product and service quality that fulfills customers' needs.

Means of Increasing Productivity:

- Create productive workplace culture
- Improve on business processes and practices
- Measure productivity level continuously



Republic of Namibia

**MINISTRY OF LABOUR, INDUSTRIAL
RELATIONS AND EMPLOYMENT CREATION**



Productivity Namibia

Achieving A Competitive Namibia

Our Contacts:

Ministry of Labour, Industrial Relations and
Employment Creation
Directorate Labour Market Services
Division Labour Market Information
Productivity Promotion Unit
P/Bag 19005
Tel +264 61 206 6242/6
Fax +264 61 206 6270

HOW EMPLOYEE SUGGESTION SCHEME IMPROVES PRODUCTIVITY AND COMMUNICATION AT THE WORKPLACE

What is a suggestion Scheme?

- It is an approach that encourages employees to contribute new and creative ideas for the improvement and innovation of the organisation.
- It provides employees with the opportunity to express their views and challenges that they might be experiencing to management and suggest possible solutions.
- Employees write down their views/opinions on a piece of paper anonymously and drop it in the suggestion box usually located in a visible area. There is no fear of victimization as their identities are not revealed.
- The suggestions are then collected and evaluated, and management together with employees openly discuss and address the issues raised and implement those that add value to the success of the organization.

Goals and Objectives

- To make work easy
- To make work more safe
- To remove mistakes
- To improve quality
- To increase efficiency
- It decrease rejects
- To reduce costs
- To satisfy customers through better service delivery
- Employees will feel recognised and part of the organisation when their suggestions are implemented
- Reduces resistance to change amongst the employees
- Enhances the sense of belongingness and responsibility amongst the employees
- Employees understand their working environment better.

Purpose

- To encourage employees to participate in the decision-making of the organisation.
- To enlighten the management on the types of problems employees are facing and suggestions how to solve them.
- To enhance staff morale and improve staff retention.
- To improve responsiveness to the public and facilitate innovation and service improvement, especially in the public sector.

Benefits

- Employees find their jobs more interesting and meaningful when they participate in the decision making process
- Increases and open a bottom-top communication within the organization
- Encourages continuous improvement amongst the employees and management
- Increases creativity levels amongst employees

of processing actually has to do with the non value-added activity that has been inherited in designing of products and processes. Simply because it has been done that way in the past, one has to follow the same process even though there is a simple way of doing it.

e. Inventory

This refers to ordering more stock of goods, materials or information than it is required and would probably not be processed or delivered at that point of time. E.g. Excessive inventory can be kept for either contingency or just-in-case purposes.

f. Motion

Waste in motion is associated with any unnecessary worker's physical movements in search of something that should have been kept within their reach. E.g. walking, bending, lifting etc. Jobs with excessive motion should be analyzed and redesigned for improvement with the involvement of concerned employees.

g. Defects

This is a waste that is caused by producing products, goods or services that do not meet the customers' expectation or standard thus causing customer dissatisfaction. E.g. defective products, bad services, etc. As a result, additional time must be spent in reworking poor products or addressing customer complaints.

STANDARDISATION

Every house has its rules and things are done based on those regulations. Standardisation refers to the standard set by management in an organisation that guides workers in performing their duties and responsibilities. Those standards should however be reviewed when necessary from time to time for improvement purposes as this is a never-ending process. Once the standards are in place and are being followed then if there are deviations, the workers know that there is a problem.



Republic of Namibia

**MINISTRY OF LABOUR, INDUSTRIAL
RELATIONS AND EMPLOYMENT CREATION**



Productivity Namibia

Achieving A Competitive Namibia

Our Contacts:

Ministry of Labour, Industrial Relations and
Employment Creation
Directorate Labour Market Services
Division Labour Market Information
Productivity Promotion Unit
P/Bag 19005
Tel +264 61 206 6242/6
Fax +264 61 206 6270

**IMPROVING PRODUCTIVITY AT WORKPLACE
THROUGH KAIZEN THEORY**

What is Kaizen?

Kaizen is a Japanese word meaning continuous improvement. It is an improvement which focuses on continuous improvement at a slow pace but constantly. Kaizen is made up of two Japanese characters: **kai**, which means 'change', and **zen**, which means 'good' (Good change). The main aim is to improve the process on a continuous basis. Kaizen wants continuous improvement for everyone in an organisation from top management, managers, supervisors and institutional workers. The concept is that small steps on a regular basis will lead to large improvements over time.

The improvements are suggested by the person doing the work, not an outside evaluation team. If a worker has a problem to address or is considering whether a change will make sense, he/she should pull in several team members for a quick discussion and brainstorming session, and then decide what to do next.

Benefits of Kaizen

- It encourages employees to identify problems at the workplace as well as suggesting possible solutions to solve them.
- It adds up to major benefits: faster delivery, lower costs and greater customer satisfaction.
- It creates an exciting workplace whereby each individual is free to make their contribution.

THREE PILLARS OF KAIZEN

Housekeeping,
Waste elimination and
Standardisation

HOUSEKEEPING

This a process of managing the workplace and is an approach used by many companies to keep the workplace clean and organised with the intention of improving productivity and quality. In other words it is about cleanliness, orderliness, and maintenance of business or property.

Japanese refer to it as 5S which comes from five Japanese words that starts with letter S, Seiri, Seiton, Seiso, Seiketsu and Shitsuke. The English words equivalent to the 5Ss are Sort, Straighten/Set in order, Sweep/Shine, Standardise, and Sustain.

- **Sorting**
Separate the unnecessary items from the necessary ones. Identify and get rid of all unneeded items, including items which do not belong to that specific area. Keep only essential items and eliminate what is not required, prioritizing things per requirements and keep them in easily-accessible places.
- **Straightening or Setting in Order**
Arranging necessary items in good order so that the most frequently used are the easiest and quickest to locate. The main aim is to eliminate time wasted in obtaining the necessary items for an operation.

- **Sweeping or Shine**
Keep the workplace clean, tidy and organised so that there is no dirt on the floor, machines and equipment. Store everything in its place as this will make it easy for one to know what goes where and ensures that everything is where it belongs.
- **Standardizing**
To maintain a high standard of the workplace, always keep everything clean and in order. All work stations for a particular job should be identical. All employees doing the same job should be able to work in any station with the same tools that are in the same location.
- **Sustaining the Practice**
Train employees to practice the 5S system continuously so that it becomes a habitual and culture of the organisation. Maintain focus on this new way and do not allow a decline back to the old ways.

Benefits of 5S in the Workplace

- It is an easy concept to everyone to understand as it does not require the understanding of difficult terminologies.
- It is simple, driven by logic and natural to human behaviour.
- It is applicable to all type and size of industries and organisations.
- It improves safety at workplace
- 5S becomes a basic business measure and key driver for Kaizen
- It forms a solid foundation upon which an organisation can build continuous improvement
- Employees gain a sense of ownership, involvement and responsibility in their respective workplaces
- It reduces waste
- It improves performance in productivity, quality and morale that lead to increased profitability.

WASTE ELIMINATION

What is Waste?

Waste is defined as any activity that does not add value to whatever one is doing. Japanese refers to this as “muda” which means waste in English. Waste occurs in every process in organisations. Work should be a sequence of value-adding activities ranging from raw materials to the final product; anything non-value-adding task should be eliminated.

There are seven forms of waste (7 Waste) as categorised by Taiichi Ohno, namely; overproduction, waiting time, transporting, over processing, inventory, motion and defects.

a. Overproduction

This is when products are manufactured in excess to what is required or when they are not needed at all. Overproduction is very costly to any business because it prohibits the smooth flow of materials and actually degrades quality and productivity.

b. Waiting Time

Waste of time is the time spent waiting between activities e.g. waiting for a machine that has broken, delay in arrival of materials or being late for a meeting. Goldratt (Theory of Constraints) has stated many times that one hour lost in a bottleneck process is one hour lost to the entire factory's productivity, which can never be recovered. The cause can either be due to bad planning, bad organisation, lack of proper training, lack of control, laziness or lack of discipline.

c. Transporting

This is refers to unnecessary transporting or moving things from one place to another which does not any add value to the product or service. Excessive movement and handling cause damage and are an opportunity for quality to deteriorate. E.g. parts that are temporary put away in a disorderly manner.

d. Over Processing

This term refers to extra operation, such as rework, reprocessing, handling or storage that occurs because of defects, overproduction or excess inventory. The waste



Republic of Namibia

**MINISTRY OF LABOUR, INDUSTRIAL
RELATIONS AND EMPLOYMENT CREATION**



Productivity Namibia

Achieving A Competitive Namibia

Our Contacts:

Ministry of Labour, Industrial Relations and
Employment Creation
Directorate Labour Market Services
Division Labour Market Information
Productivity Promotion Unit
P/Bag 19005
Tel +264 61 206 6242/6
Fax +264 61 206 6270

GREEN PRODUCTIVITY

What is Green Productivity?

In general:

- A strategy for enhancing productivity and sustainably use environmental resources to achieve overall socio-economic development.
- It is the application of appropriate productivity and environmental management processes and technologies to lessen negative environmental impact when conducting everyday personal activities and to organisation's commercial actions of producing goods and services.
- Green productivity can be applied in everyday activities that individuals and companies undertake to reduce waste, to recycle and to reuse waste materials.

At school level

- Green Productivity focuses on raising awareness amongst school learners and teachers of the importance of preserving a clean environment that is safe, healthy and conducive for effective teaching and learning.
- The green productivity campaign is a hands-on approach that seek to inspire learners to be creative in reducing, recycling and reusing waste material.
- It encourages learners to take responsibility of caring for resources that they use at school and at home and how to take care of their surroundings in the best possible way.
- The green productivity campaign involves not only the teachers but it also aims at influencing the parents and by extension to the community to be aware of importance and benefits of sustainable use of resources.

Benefits of Green Productivity

In general

- Reducing waste through use of resources in the most cost-effective manner
- Lowering of operational and environmental compliance costs
- Reducing long-term environmental management responsibilities and clean-up costs
- Increasing productivity and better environmental appearance
- Compliance with government regulations
- Increase competitive advantage, market share and responsibility

At school level

- Inculcate productivity mind-set and creativity amongst learners
- Keeps the school environment clean
- Improves health and safety at school
- Promotes environmental protection and management
- Enhances school image
- Raises morale/spirits
- Leads to sustainable social and economic development.