

Foreword

The purpose of this report is to compile the experiences of national movements for quality and productivity improvement (*kaizen*) in selected countries in Asia and Africa, in order to contribute to the ongoing efforts by the Ethiopian government to disseminate, scale-up, and institutionalize *kaizen*.¹ At the request of the government of Ethiopia, the Japan International Cooperation Agency (JICA) conducted the Study on Quality and Productivity Improvement in Ethiopia from October 2009 to May 2011. The study supported the implementation of pilot *kaizen* activities for 28 manufacturing companies, skill transfer and capacity development of the Ministry of Industry (MOI) staff, and the formulation of a national plan to disseminate *kaizen* activities for manufacturing companies in Ethiopia. Building on the achievements examined in this study, the Ethiopian government has decided to establish the Ethiopian Kaizen Institute (EKI), which is responsible for promoting *kaizen* awareness, assisting companies in quality and productivity improvement, disseminating information on *kaizen*, and coordinating with other organizations involved in quality and productivity improvement. In November 2011, JICA has begun a new technical cooperation project to support the design and initial implementation stage of the EKI.

The experiences of Japan and the other countries which successfully introduced and disseminated *kaizen* confirm the vital importance of changing popular mindset toward hard work, team work and creativity. Mindset change also enables the spread of *kaizen* to as many as social actors as possible. However, in many developing countries, such change does not occur spontaneously. This is why the role of the government is crucial. It is important for the government to make a conscious policy effort to orchestrate a national movement by involving the entire population and driving the transformation of their attitudes.

Some countries have successfully introduced national movements with brilliant results by creating the necessary institutional mechanisms and organizing a series of activities for igniting mindset change. However, there are countries which face challenges sustaining such momentum, especially after the completion of donor support. Therefore, it is useful to examine the experiences of national movements in various countries and extract factors for success and lessons learned—so that those countries interested in introducing *kaizen*, including Ethiopia, can have referential information when they embark on introducing and diffusing *kaizen* in their respective countries.

¹ *Kaizen* means “continuous improvement” involving the entire workforce from the top management to middle managers and workers. According to Masaaki Imai (1986), it is not just a management technique but a philosophy which instructs how a person should conduct his or her life. *Kaizen* shows how management and workers can change their mindsets together to improve their productivity. Imai argues that *kaizen* is an umbrella concept for a large number of Japanese business practices, such as 5S, suggestion system, Quality Control Circle (QCC), Total Quality Management (TQM), the Toyota Production System, the Just-in-Time System, the *Kamban* System, etc.

This report is one of the outputs of the Japan-Ethiopia Industrial Policy Dialogue, which took place from June 2009 to May 2011, supported by JICA and with the participation of a team from the National Graduate Institute for Policy Studies (GRIPS). Those interested in the issues discussed at the series of eight bilateral policy dialogues are encouraged to read a separate report, *The Study on Industrial Policy Dialogue in the Federal Democratic Republic of Ethiopia* (2011).

The report is structured in five chapters. Chapter 1 provides an overview of national movements and a synthesis of selected country experiences in Asia and Africa. This is followed by case studies on Japan (Chapter 2), Singapore (Chapter 3), Burkina Faso (Chapter 4), and Botswana (Chapter 5). We hope that it will serve as useful reference for those countries which are contemplating policy initiatives for nurturing a dynamic private sector.