

ANNEXURE:

**COMPETITIVENESS IMPROVEMENT
PROGRAMME - CASE STUDIES/WRITE-UPS**

- **KZN EXPORT PROGRAMME**
- **DTIC WORKPLACE CHALLENGE INITIATIVES**
 1. MAKING POSITIVE IMPACT IN SEZ's
 2. INDUSTRIAL CLUSTER INITIATIVE
 3. SAMPLE OF SMME PROJECT DATABASE



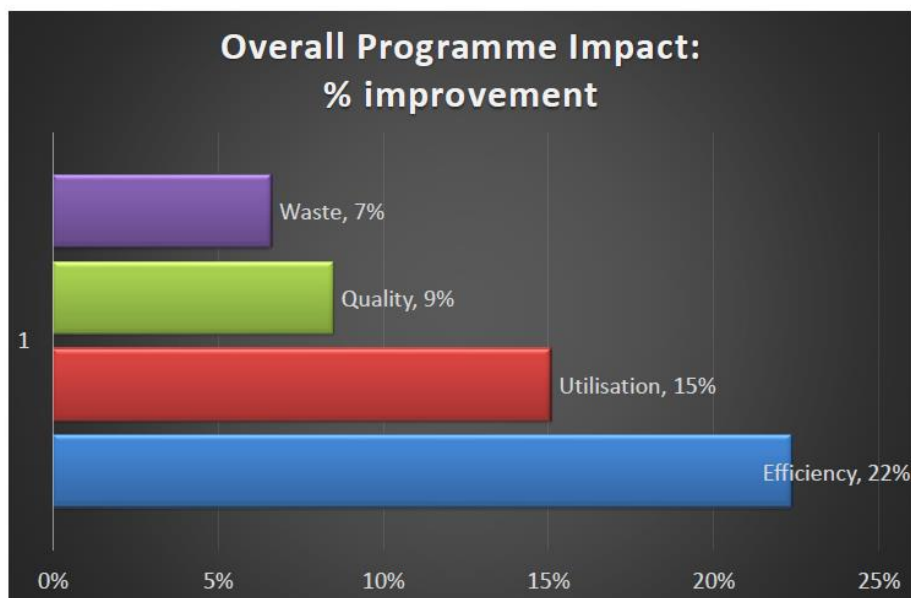
KZN EXPORT COMPETITIVENESS PROGRAMME

The KZN Export Competitiveness programme funded by the KZN EDTEA in partnership with SEDA, TIKZN and implemented by Productivity SA was launched in September 2018. A Pilot Project consisted of 20 cluster companies made up of:

- 15 SMME's or Co-operatives and
- 5 medium to large enterprises

The programme was funded 80% by EDTEA for the 20 companies. Four clusters were identified to implement the programme as of September 2018:

- **Cluster 1: Medium to Large Group Exporters**
The Medium to Large Cluster contributes to R323million turnover, and 732 in employment.
- **Cluster 2, 3, and 4 comprised of Emerging Exporters**
These emerging export companies contributed to R467 million turnover per annum with 873 jobs. The 20 companies combined contribute to 1605 jobs and R790million of KZN's GDP.



The 4 cluster interventions came to an end in October 2019. The combined Overall impact has been:

22% average improvement in efficiency, 9% average improvement in quality, 7% decrease in waste and an 15% average improvement on utilisation.

The programme has assisted in increasing the overall Turnover of the combined companies by 8% to R853million of KZN's GDP. The combined cluster companies retained a total of 1605 jobs, and the programme contributed in creating 5% additional jobs. An highlight was that one of the participants, The Blinds Syndicate who had previously won the 2009 Emerging Sector award, won the 2019 National Productivity Award in the Corporate category thanks to the interventions by Productivity SA, helping them on the journey from good to great!



By Shadley Mohammed
Productivity Practitioner

WORKPLACE CHALLENGE INITIATIVES

MAKING POSITIVE IMPACT IN SEZ's WESTERN CAPE

The Workplace Challenge Programme is approaching half a century in terms of companies it has assisted in the Western Cape Special Economic Zones (SEZs). With just over 48 companies trained by the Workplace Challenge Programme 's facilitators on continuous improvement within the workplace, the programme is gathering steam in enabling a solid manufacturing hub in the Western Cape.

The establishment of SEZs in key locations across South Africa by the Department of Trade, Industry and Competition (**the dtic**), is one of the tools used to accelerate economic development within South Africa. The objectives of the zones are to create manufacturing hubs that will revitalise regions within South Africa as industrial nodes. SEZs are geographically designated areas set aside for specifically targeted economic activities.

The Special Economic Zones Act 16 of 2014 provides for the designation, promotion, development, operation and management of SEZs. The Act commenced in February 2016 and several SEZs have since been designated. SEZs are established all throughout the country and SEZs established in the Western Cape are:

- Atlantis SEZ (50 km from Cape Town) primarily has its focus on renewable energy and green technology sector.
- Saldanha Bay SEZ (200 km from Cape Town) is meant to serve as a leading gas, oil and marine- repair, engineering and logistics services area.

Productivity SA in the Western Cape in collaboration with **the dtic**, City of Cape Town and the West Coast Business Development agency managed to engage businesses in both the SEZs through workshops and programmes over several years.

The interventions by Productivity SA has primarily seen the Workplace Challenge Programme implement Kaizen (continuous improvement) workshops and the Workplace Challenge Programme productivity improvement programmes – both funded by **the dtic**.

Kaizen overview:

- Kaizen workshops are run over two days whereby delegates from different companies are exposed to best operating practise in leadership and productivity management.
- The Workplace Challenge Programme is implemented over a 2-year period during which companies are taken on a developmental journey of continuous improvement, regularly serviced by a dedicated facilitator and provided with necessary manuals and other support material.

As the workshops are attended by a wide variety of organisations – corporates, small businesses, Government institutions and non-profit organisations, this allows for useful cross-pollination of ideas and networking. To date, 48 businesses, from a broad range of industrial sectors have benefitted.



Picture features the group of businesses in Saldanha Bay (2019)

Furthermore, one of the Workplace Challenge Programme participants was nominated as a finalist for the annual Productivity Awards competition. The

The types of businesses include packaging, recycling, food processing, clothing, textiles, recycling, engineering, security, plastics, civil, service and aquaculture companies.

Altogether 115 employees attended the workshops in these SEZs.

Some of the valuable impact of the Kaizen workshops is evident from the outcomes that participants are required to present after implementing productivity improvement methods introduced during the workshops. Achievements are often presented in the form of savings brought about from targeted waste reduction activities or 5S interventions.

Remarkably, during the recent water shortage crises in the area some of the delegate businesses focused on water-saving as a project, with impressive results reported.

current economic climate, as well as the difficulties experienced due to load shedding has had a negative impact on businesses in general and it is during periods like these that SEZs form an important component of the broader developmental strategy of government. Productivity SA has pledged to continue to offer interventions that will help to improve productivity of businesses in these areas as mandated **the dtic**.

Picture features the group of businesses in Atlantis (2018)





By Mninawa Zwakala
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WORKPLACE CHALLENGE INITIATIVES

INDUSTRIAL CLUSTER INITIATIVE

The Workplace Challenge pays extensive attention to economic development, considering the resources put in place and fostering strategic change through collaborative projects. Above all, it increases economies of scale both in analysing strategic challenges often shared by groups of companies and in implementing solutions.

Productivity SA, in partnership with the South African Footwear and Leather Export Council (SAFLEC), and eThekweni Municipality embarked on a programme in 2019/20. Due to the success of the initiative, the relationship will continue through the next two years.

The partnership includes the implementation of Kaizen projects within the footwear and leather industry. The objectives of the programme are to bring an understanding and application of continuous improvement concepts that will enable more effective and efficiency driven operations management activities. The implementation of improvement projects within the selected organisations is aimed at ensuring that the concepts are grasped and applied properly.

The desired and planned deliverables for the programme are to:

- Improved understanding of operational related competitiveness drivers
- Clear understanding of value-add and wasteful activities within operations
- Improved knowledge of content used in the workshop; ie 5S and the seven types of wastes.

The interventions will be implemented by Productivity SA over a four to six-month period. The cluster is managed by SAFLEC and the company portion is funded by eThekweni Municipality.

Kaizen overview:

Kaizen workshops are run over two days whereby delegates from different companies are exposed to best operating practise in leadership and productivity management.

The content of the programme includes:

- Value vs waste
- Kaizen toolkits
- The basic tools: 5S & visual management
- How does a production operation work?
- The levels of improvement in a company
- Finding & eliminating waste
- The 10 steps for making Improvements
- Company-wide Kaizen

The programme objectives also focus to improve the understanding of World-Class Lean Principles and the introduction of basic practical productivity tools that can be applied by each organisation for great improved effectiveness and efficiencies.