

Productivity & Quality Forum

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**BOTSWANA
NATIONAL
PRODUCTIVITY
CENTRE**

Together, we transform Botswana

BNPC STRATEGIC FOUNDATIONS AND QUALITY POLICY

VISION

Leader in driving national productivity.

BNPC will lead in transforming the current productivity landscape in Botswana across differing sectors, enterprises, and community groups. The leadership will be demonstrated by coordinating key stakeholders in order to co-create and deliver value adding national productivity improvement initiatives for Botswana.

MISSION

We provide innovative and high impact solutions that enhance national productivity and competitiveness. BNPC will continuously scan the environment in pursuit of productivity improvement opportunities that create a strategic playground for innovation. The goal is for Botswana to serve as a benchmark for national productivity improvement and BNPC to provide similar solutions globally.

STRATEGIC INTENT

To drive productivity in national prioritized sectors through Innovation, Technology, and Indigenous Knowledge by 2023.

By 2023, BNPC is committed to have improved national productivity across all sectors with particular focus on national prioritized sectors – Mining, Agriculture, Tourism, Diamond Beneficiation and Financial Services. The Centre will conduct extensive research and application of indigenous knowledge to yield innovative solutions that address prevailing productivity and competitiveness challenges.

SLOGAN

Together, we transform Botswana

VALUES

Collaboration	We continuously exhibit teamwork and build each other up as we create value for Batswana. This goes beyond the confines of the Centre; therefore, we extend the same to all our stakeholders and partners as we form part of the national economic transformation value chain.
Innovation	At BNPC, every challenge is an opportunity to create human centred solutions through the use of indigenous knowledge and technology. We embrace our rich Botswana culture and intend to leverage and infuse its uniqueness into all that we do – creating a distinct BNPC mark.
Passion	We are zealous about creating value for Batswana, as we deliver our mission with pride and purpose. We passionately inspire and equip others to constantly strive towards meaningful economic and societal contribution.
Agility	We thrive under pressure and in uncomfortable circumstances with agility. We create opportunities where there appears to be none and remain resilient in the process.
Integrity	Our posture is rooted in doing what is right at all times. Each member of our team reflects resolute integrity by displaying transparency and accountability in all internal and external engagements.

QUALITY POLICY STATEMENT

We commit to providing impactful transformational services in productivity and quality improvement to meet expectations of all interested parties. This will be achieved by setting objectives against which the Centre will measure, manage, and communicate progress, and continually improve the Quality management system to ensure compliance with all applicable requirements of ISO 9001:2015.



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01

BNPC
MEETS
JICA

BNPC meets JICA



By Puso Kedidimetse

The Botswana National Productivity Centre (BNPC) and Japan International Cooperation Agency (JICA) leadership recently met to share knowledge of what their organisations do and to strengthen cooperation amongst themselves.

The BNPC Acting Executive Director, Mr Jacob Mmola mentioned that he was delighted to have been given the opportunity to lead the BNPC and to work with JICA, a long term partner of the Centre. He also stated that he was also a beneficiary of the Japanese training through Japan Productivity Centre (JPC). Consequently, the acting executive director noted that JICA is an important partner as demonstrated by their assistance during the Gaborone Extension 2 Clinic Kaizen Project which came to an end in 2021. The project, he highlighted, has been successfully implemented and embraced, and he was hopeful that it will be replicated across health facilities throughout the country.

Furthermore, Mr Mmola explained that the Botswana National Productivity Centre (BNPC)

was established through an Act of Parliament in December 1993 as a parastatal with a tripartite board comprising of representatives from government, employers', and workers' organisations together with a few stakeholders. He noted that the statutory mandate of the BNPC is to enhance the level of productivity awareness as an advocacy function and to enable individuals and organisations through training and consulting to be productive and competitive. The enablement process, he highlighted, involves assisting organisations to adopt best management practices through productivity enhancing tools and techniques.

Consequently, the acting executive director asserted that BNPC strategic objectives included facilitating the reform of the public service in Botswana to a point where it will be rated the best in Africa.

In addition, he informed the JICA delegation that the Centre also facilitates the improvement of the quality of Botswana's workforce to where it is ranked the best in the SADC region and provides productivity statistics and information.

The BNPC, Mr Mmola added, facilitates a culture of excellence within the private sector with a particular focus on SMMEs to enable targeted local businesses to achieve a regionally competitive rating on the business excellence model. He also communicated the BNPC's desire to reduce its financial dependence on the government grant.

On other issues, he mentioned that he was happy that JICA has identified a senior volunteer who will join BNPC in November 2022 to work on Kaizen. He also applauded JICA for its commitment towards helping the BNPC since this will be the third senior volunteer to work with the BNPC.

For his part, JICA Resident Representative to Botswana, Mr Hideo Eguchi explained that he appreciated meeting with BNPC Acting Executive Director. Mr Eguchi who was accompanied by Ms Chihiro Arakawa, Volunteer Coordinator, Mr Hiroyuki Takada, Project Formulation Advisor and Mr Mothusi Tiyedze, Program Officer, Technical Cooperation, said the partnership with Botswana started way back in 1977 by accepting a Botswana participant for a telecommunications training program in Japan as a form of capacity building. Mr Eguchi noted that the JICA emphasis is currently on "Improvement of Environment for Industrial Diversification and Poverty Reduction and Betterment of Quality of life." The industrial development, he highlighted, is evidenced by the Kazungula Bridge project. He also mentioned the Digital Terrestrial TV Broadcast Project in partnership with Department of Broadcasting Services supported by JICA training programs to improve the broadcasting standard at Botswana Television. He also mentioned training programs, both short term and long-term that they have been involved in. The short-term programs included

country focused courses in education, health, ICT, economic policy, agriculture, and private sector development to mention a few. He also mentioned the Young Leaders course which covers Industry Promotion and Waste Management. The long-term training programs, the resident representative noted, include postgraduate scholarship programs. Mr Eguchi further explained that the Poverty Eradication and Betterment of Quality of Life program covered projects for capacity development for the conservation and sustainable use of forest and range resources through the process of master plan development. In addition, he said that the Japan Overseas Cooperation Volunteer supports primary school education, community development, social welfare, sports, and environmental education, among others. Mr. Eguchi emphasized the need to capacitate the private sector as a key stakeholder in the development of the country. He encouraged the BNPC to meet with Business Associations and other key stakeholders in the country to share the Kaizen concept.

The Volunteer Coordinator, Ms Arakawa for her part, mentioned that she was delighted that a senior volunteer will join the BNPC to work in Kaizen improvement and projects. She noted that currently there are five volunteers in Botswana and in October there will be eight more volunteers arriving for various posts.

BNPC's Enterprise Support Programme Manager, Mr Tshenolo Mapitse emphasized the need to continuously meet as the BNPC has benefited immensely from the cooperation with JICA in the form of training and projects. End



A photograph showing four individuals seated around a table, engaged in signing documents. The background is a wall covered with the logo of the Competition & Consumer Authority (CCA), which consists of the letters 'CCA' in a stylized font followed by the text 'COMPETITION & CONSUMER AUTHORITY'. The scene is overlaid with a semi-transparent teal filter.

02

BNPC SIGNS MOU WITH CCA

BNPC signs MOU with CCA

Botswana National Productivity Centre and Competition and Consumer Authority Sign MoU



By Letsogile Batsetswe

The Botswana National Productivity Centre (BNPC) and the Competition and Consumer Authority (CCA) signed a memorandum of understanding (MoU) on the 10th May 2022. Members of the Press were invited to the signing ceremony which took place at the CCA's offices in Gaborone. The two organisations intend to improve Botswana's competitiveness through this partnership since they are key strategic institutions in driving Botswana's transformational agenda. The BNPC has seen and recognize the growing need to continuously engage CCA as the main consumer protection agency in the economy.

- The objective of the MOU is mainly for the two organisations to leverage on each other's complementarities. These includes.
- Sharing of information of findings of studies/reports that have a bearing on competitiveness including

IMD Reports, Productivity Statistic Reports, Global Competitiveness and Doing Business reports.

- Coordination of preparations for sector studies in areas of common interest, to ensure extensive coverage of factors affecting competitiveness, e.g., Joint development of Questionnaires.
- Joint policy briefs and advocacy programmes pertaining to constraints on competition, regional and international competitiveness
- Capacity building in areas of common interest.
- Stakeholder engagement and public awareness.
- Co-Funding of projects of common interest

As the institution coordinating and analysing Botswana's competitiveness through the World Economic Forum (WEF) and Institute for Management Development (IMD), it is imperative that CCA collaborate with BNPC to improve the productivity and competitiveness ratings of Botswana in relation to the level of domestic competition.

The BNPC Strategy aims to drive productivity growth in national prioritized sectors through innovation technology and indigenous knowledge by 2023. To deliver on this goal, the Centre focuses on research in prioritized sectors that deliver high impact responses and close prevailing productivity gaps, amongst other objectives. The Strategy further outlines a National Productivity Framework in which BNPC will impact the productivity at

the following levels i) national level, ii) sectoral/enterprise level and iii) community and household. All research undertaken by the Centre is geared towards providing impactful productivity solutions and policy recommendations, where possible, at all these three levels.

The CCA on the other hand has been established to prevent, and redress anti-competitive practices in the economy as well as the removal of constraints on the free play of competition in the market. Further, the CCA is the main consumer protection agency in the economy.

To the extent that the CCA promotes competitiveness not only by investigation and enforcement but by undertaking general studies and analysis across sectors the mandates of the two organisations intersect.

It was upon the realisation that BNPC and CCA have a common goal in promoting competitiveness in the economy that they saw it fit to leverage on each other's complementarities.

A Joint Working Committee (JWC) will be established to operationalise the MoU which will take effect for the next five (5) years.

In his key note address, the BNPC Acting General Manager Mr Teedzani Majaule emphasised that this will be a mutually beneficial relationship which will enhance results. He encouraged the team to demonstrate such value with the passage of time and even build on to enhance our results. Finally, he thanked CCA for being open to partnering with BNPC and supporting BNPC in the execution of its mandate.





03

BNPC WELCOMES
NEW JICA VOLUNTEER

Botswana National Productivity Centre welcomes the Senior Volunteer



By Poloko Thobega

The Botswana National Productivity Centre (BNPC) recently welcomed the Japan International Cooperation Agency (JICA) Senior Volunteer to Botswana. The Senior Volunteer will be with the BNPC for two years assisting in the Kaizen/Lean Management Programme, as well as working with consultants to enhance their consulting skills.

Kaizen is a Japanese term meaning change for the better or continuous improvement. It is a Japanese

business philosophy that concerns the processes that continuously improve operations and involve all employees. Kaizen sees improvement in productivity as a gradual and methodical process. The concept of kaizen encompasses a wide range of ideas. It involves making the work environment more efficient and effective by creating a team atmosphere, improving everyday procedures, ensuring employee engagement, and making a job more fulfilling, less tiring, and safer.



The new senior volunteer, Mr Hiroshi Takachi.

Lean management, on the other hand, is an approach to managing an organization that supports the concept of continuous improvement, a long-term approach to work that systematically seeks to achieve small, incremental changes in processes in order to improve efficiency and quality.

Speaking during the welcome ceremony, the Acting BNPC Executive Director, Mr Jacob Mmola expressed his gratitude to the JICA office for their assistance in providing a senior volunteer to BNPC. He noted that in the past, the BNPC has had two senior volunteers who assisted in training consultants. Mr Mmola highlighted that BNPC was established through an Act of Parliament in December 1993 as a parastatal with a tripartite board comprising of representatives from government, employers, and workers' organisations, together with a few stakeholders. He further mentioned that the statutory mandate of the BNPC is to enhance the level of productivity awareness as an advocacy function and to enable individuals and organisations through training and consulting to be productive and competitive. The enablement process, he added, involved assisting organisations to adopt best management practices through productivity enhancing tools and techniques.

The Mandate of the BNPC as follows:

- stimulate and generate productivity consciousness in Botswana

- promote increased productivity in all sectors of the economy
- improve and develop standards of management in all aspects and at all levels
- promote good/labour management relations
- foster equitable productivity gain sharing between management, workers, and consumers.

The acting executive director stated the following as the BNPC strategic objectives:

- Facilitate the reform of the Public Service in Botswana to a point where it is rated the best in Africa.
- Facilitate the improvement of the quality of Botswana's workforce to where it is ranked the best in the SADC region.
- Provide productivity statistics and information.
- Facilitate a culture of excellence within the private sector, with a particular focus on SMMEs to enable targeted local businesses to achieve a regionally competitive rating on the business excellence model.
- Reduce BNPC financial dependence on government grant funding.

He also highlighted that initially BNPC focused more on the public sector than the private sector, noting that It is important to focus on the business community as they have been affected by the Covid-19 pandemic and need productivity tools to enable them to compete favourably with the others in the region.

The new senior volunteer, Mr Hiroshi Takachi was accompanied by JICA Volunteers coordinator, Ms Chihiro Arakawa and Mr Mothusi Tiyedze, the Program Officer, Technical Cooperation. For her part, Ms Arakawa explained that she was excited by the relationship they have with the BNPC. She further said the Japan Overseas Cooperation (JOCV) in Botswana marks its 30th anniversary of cooperation and helping in the country's development on the 4th of November 2022.

The Senior Volunteer, Mr Takachi informed the meeting that he was deployed in Vietnam before coming to Botswana. Mr Takashi holds a master's degree in engineering and has vast experience in Productivity and Quality Management. End



04

EFFECTS OF LONG-TERM
EMPLOYMENT IN ONE
ORGANISATION

Effects Of Long-Term Employment in one Organisation

By Tsampa Mdluli

Effects of long-term employment in one organisation
There are several employees who tend to stick for a long period of time at one organisation. This could be due to several reasons. There is no good or bad reason because I believe these reasons are personal and therefore no one should be judged for the reason that they choose.

This article will share various reasons from employees who choose to stay at an organisation for at least six and more years. It would also outline the advantages and disadvantages of long-term employment at one organisation.

The interviewees will be BNPC staff. There are quite several employees at BNPC who have stayed for more than five (5) years some even more than 20 years.

I am one of the long-term serving employees at BNPC, with more than 25 years. I joined BNPC in 1995 as a Marketing and Public Relations Officer, a position I held for five(5) years with a Diploma in Education, Certificate in Radio Journalism and several short courses in Productivity and Quality improvement.

I would then study for a degree course which elevated me to become an entry level Consultant under the Productivity and Quality Programme at BNPC. I held this position for 10 years before being elevated to a consultant in the same department.

I then continued for another five(5) years and made a career decision to transfer from this department to another department, the Enterprise Support Programme still at BNPC. At this department



I became more of a facilitator and improved my consultancy skills. I later became an Experienced Consultant, a position I hold to date, making it a total of 27 years as a BNPC employee to date.

Why would I stay for this long at BNPC?

My reasons are personal and so are those of other employees. I joined BNPC after two short stays at my previous employers. I worked at Radio Botswana for two (2) years and moved to join Ministry of Education for another two (2) years before joining BNPC.

My main reasons for staying longer at BNPC were:

- To gain stability and growth
- Find my footing in the workplace and establish my career path
- To accumulate some pension
- To show loyalty to my employer

The next question could be: Did my reasons work for me?

My reasons have worked for me to a certain extent, and I could have also benefitted in a way had I decided to move to one or two more organisations in the industry through these 20+ years.

Below are some of the reasons why other staff members lingered on for some time at BNPC:

"It's out of preference, BNPC is a great company to work for" I learnt a lot at BNPC, that is why I stayed" 28 years

"BNPC was a great employer at some point, and I didn't find a good reason to leave. but things changed at a time when the market was no longer lucrative. For now, I would jump if a good opportunity presented itself" 14 years

"I found BNPC to be a different environment from where I was coming from. I could learn a lot here at BNPC, in the region and abroad about the drivers of productivity in any economy so I found it to be a great organization to work for. I later couldn't compete in the market hence my stay for this long" 24 years

Given the various reasons for long term employment above, below, I share what Google says are the advantages and disadvantages of staying at one organization for a long time are, the goal of this article is to help new employees to learn and make better decisions:

Advantages:

In fact, staying for ten years or more on a job can be a positive thing, if you've gained seniority and leadership opportunities and have more say in the company. It might say to potential employers that you're dependable and loyal

Early on in a career, switching jobs is common because it can take time to find a job that fits your interests and skills. Switching jobs a few times early on in a career can help workers find a career that they like enough to stick with for 10 or 20 years without getting burnt out.

A potential benefit of staying longer at the same company is that staying with the same employer for many years builds a reputation of dependability. A worker who constantly switches jobs or starts new ventures may have difficulty getting jobs in the future, because employers must invest resources to train a worker, and that investment is lost if the worker leaves the company.

Another benefit of staying at the same job for a long time is that it allows for the creation of strong and long-lasting work relationships. If a worker switches jobs every couple of years, it may be difficult for him to form strong relationships

that endure after he stops working. Strong work relationships in a certain industry can be vital to success in starting up a small business.

Staying at the same job for a long time can allow workers to gain access to special job benefits that are reserved for long-time workers. For example, some employers offer pensions that require a certain amount of service. Similarly, some jobs are governed by seniority systems, where working longer grants access to better pay and benefits.

The longer you are there, the less mutually beneficial the relationship will be. (Particularly if both you and the company have goals to grow and expand in the industry - most companies' business-models are structured for them to benefit at the expense of their employees.) It's easier to develop a comfort-zone in any bad habits that are prevalent within the culture of that company. It's easier to fall behind in new/current technologies, paradigms, and standards. It's harder to manage the number of opportunities to negotiate your own value. (Every time you go to a new company, you have a new opportunity to negotiate your own compensation.) Furthermore, It's easier to phase your skill set out of demand/relevance within the industry. (For example, if you spend a long period of time maintaining some super-messy ultra-outdated, anti-architected, & poorly programmed code, you could be lulled into incorporating any of those bad habits into your own conceptualization of how a project should be done.)

- You know the processes and systems so well that things become extremely easy for you. You know where you cut corners and where you simply mustn't.
- You know whom to approach for any issue so new hires gravitate to you for anything they are facing.
- If you are good at what you do, you form relationships with people who are growing. This really helps if you want to move to another division or need that reference for something.
- Life becomes comfortable and manageable with little effort.
- People are a lot more easy on your "work from homes" and "sick leaves"
- You are very comfortable after initial settlement and that comfort stays with you throughout your career. So, you enjoy your life or you focus on growing in the the organisation.
- You have huge institutional knowledge which makes you more valuable than others in the company.
- You can reach a very high position in the company.
- You get exposure very early in your life.

The ONLY way it's NOT a bad idea to stay in one place for a long time, is if the term of the contract grants you sovereignty over your schedule, and idealistically compliments your long-term goals. (They'd have to make an offer that you can't refuse.) Now this doesn't apply if you are an A player if every rating is out-of-the-park. But in that case, you are probably working hard and/or have good contacts in the company. Even in this case you could make much more if you jump. Bottom line, unless you are self-driven and constantly on the lookout for avenues to grow, staying in the same company will lead to stagnation.

Disadvantages

Your salary will not be industry standard. Your salary tends to slip with respect to the industry simply because the yearly hike will not be equal to the kind of jump you would expect when you switched companies. Over the time your earnings will not be competent as of market as you never get jump in salary which you used to get by changing company. Staying at the One Company Without Advancing Could Cost You-a higher salary, more benefits, and/or a better title with more challenging work. You can often get that in the same company through promotions, but in this era of

raise freezes and "you're lucky you even have a job" mentality, advancement doesn't always happen, and we might end up stagnant in the same position for years because of the job security.

Another benefit of switching jobs is that it can open doors to learn and advance in a career. Working up to higher pay and benefits within a company can take many years, while switching jobs can allow workers to get significant increases in pay, benefits, and responsibilities quickly. Changing jobs also lets workers escape dead-end jobs and continue to learn and grow.

Switching jobs may boost your future earning potential. However, job hopping to maintain your passion, build a network faster, keep challenges fresh, and find what it is you should be doing with your life. You tend to become an expert at things within the company and you lose touch with the industry outside. This means unless you do some serious self-development, your job opportunities get limited to another part of the company or the competitor.

You get rigid staying in one company for so long and if you are fired from that company or due to some other reason you need to change then it is very difficult for you to adjust.

You get very good exposure of one company but couldn't get exposure of the whole industry. Your network in industry is very limited to one company. There may come a time when someone at a lower pay grade to you gets hired with more salary because that is the going rate in the market. At end when you are expecting some really big role, someone from outside will be hired who is younger than you and become your boss just because they have changed many companies and have very good exposure of the whole industry.

The above reasons play in management's favour. You are not going anywhere so bonuses, raises and other 'gifts' are not offered so frequently. At about three(3) years the company has probably taught you everything it can. You can coast for as long as you want after that. Trust me, it is so comfortable to coast. That comfort is the trap.

Conclusion

I would advise employees to make a choice while still young, plan your career movement and act on your plans.



05

KAIZEN CASE
STUDY-ZILA
INVESTMENTS

Kaizen Case Study-Zila Investments

By Kennedy Tommy and Onalethata Chwene

Zila Investment-Case Study

As a way of ploughing back to the community and improving efficiency and competitiveness amongst local SMEs, Botswana National Productivity Centre (BNPC) embarked in a process to introduce Kaizen (a system of continuous improvement) at Zila Investments with a focus on the 5S methodology. Kaizen ensures organisational effectiveness by improving seven elements. These are: processes, quality, technology, productivity, company culture, leadership, and safety. 5S refers to the workplace organisation and standardisation and it is considered a cornerstone for companies pursuing operational excellence as it lays groundwork and develops

the discipline necessary to support the successful implementation of other continuous improvement methodologies.

BNPC, therefore, collaborated with Zila Investments on a two-year journey to implement the 5S methodology to improve its workplace organisation, maintaining cleanliness and standardisation of work. The implementation of 5S was divided in to two phases. The first phase consisted of activities used to implement sort, set in order, and shine techniques (1S-3S). Only successful implementation of the first phase allows for transition to the second phase which consists of standardise and sustain.



Background on 5S Methodology

5S is a workplace organisation method that uses a list of five Japanese words: seiri (sort), seiton (set in order), seiso (shine), seiketsu (standardize), and shitsuke (sustain). The methodology elaborates how to organise a workspace for efficiency and effectiveness by identifying and storing the items used, maintaining the area and items, and sustaining the new order.

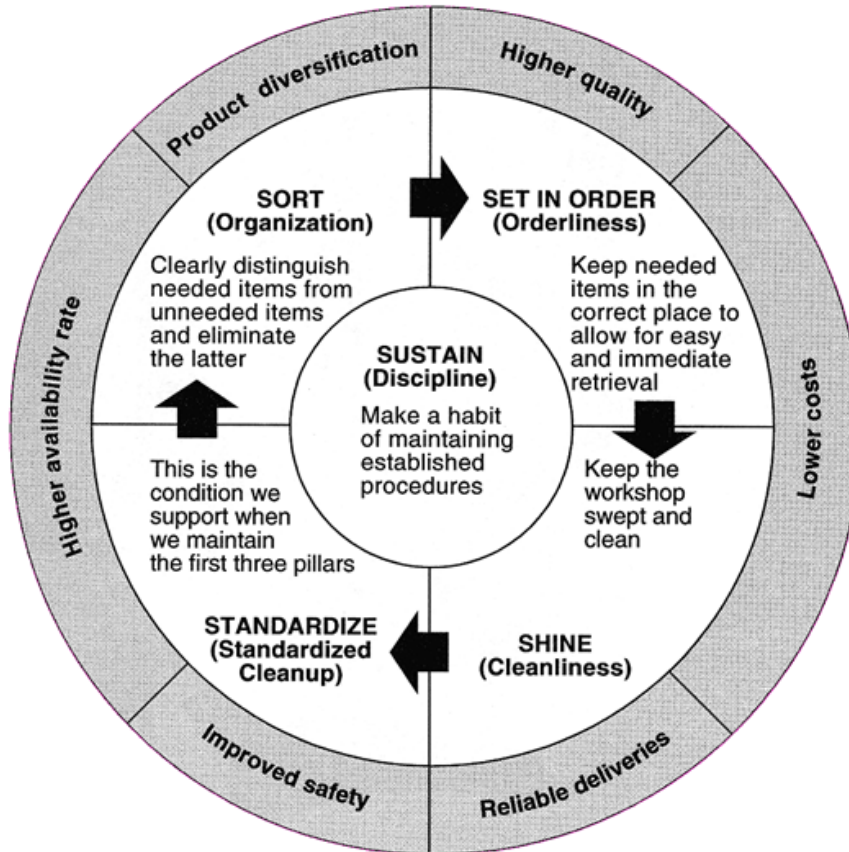


Figure1: 5S Methodology (Source <https://www.rajgewjha.com>)

Sort is the process of removing all the items not needed for current production from the workspace. The goal of Sort is to eliminate all the unneeded tools and materials and create a space free of clutter. This allows for a workflow free from distraction. The purpose of Sort is:

- reduction of inventories,
- more effective use of the workspace,
- workstation free from unnecessary objects, tools, materials,
- preventing loss of items.

The shine step focuses on cleanliness. The team target areas to clean, determine how to clean and who will do the cleaning. Cleaning targets include storage areas, equipment and machinery and surroundings. Cleaning should incorporate

machine inspection to identify early warning signs of potential breakdowns.

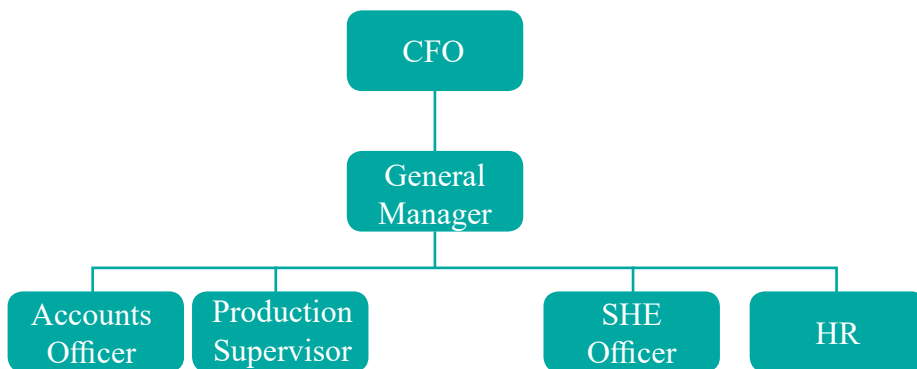
The standardise step involves creating ways to sustain the first three steps. Employees participate in creation of a set of standards that will govern maintenance of the workspace going forward. Once this “new normal” becomes a habit, all old habits will fall away.

In Sustain, the goal is to stick to the new rules. Workers keep the new standards in place and practice the first three steps every day until they become automatic and the accepted way of doing things. This final step often proves the most challenging. However, without sustaining the new system, all the cost and effort that went into creating it will prove pointless.

Company background

- 100% locally owned and started operations in 2012
- Manufactures a variety of household, automotive and industrial chemicals such as sanitisers, washing up liquid, all-purpose cream and heavy duty
- Staff compliment of 76
- Main Customers include individuals, government, parastatals, and private sector
- Main Competitors include STC, Amber Chemicals

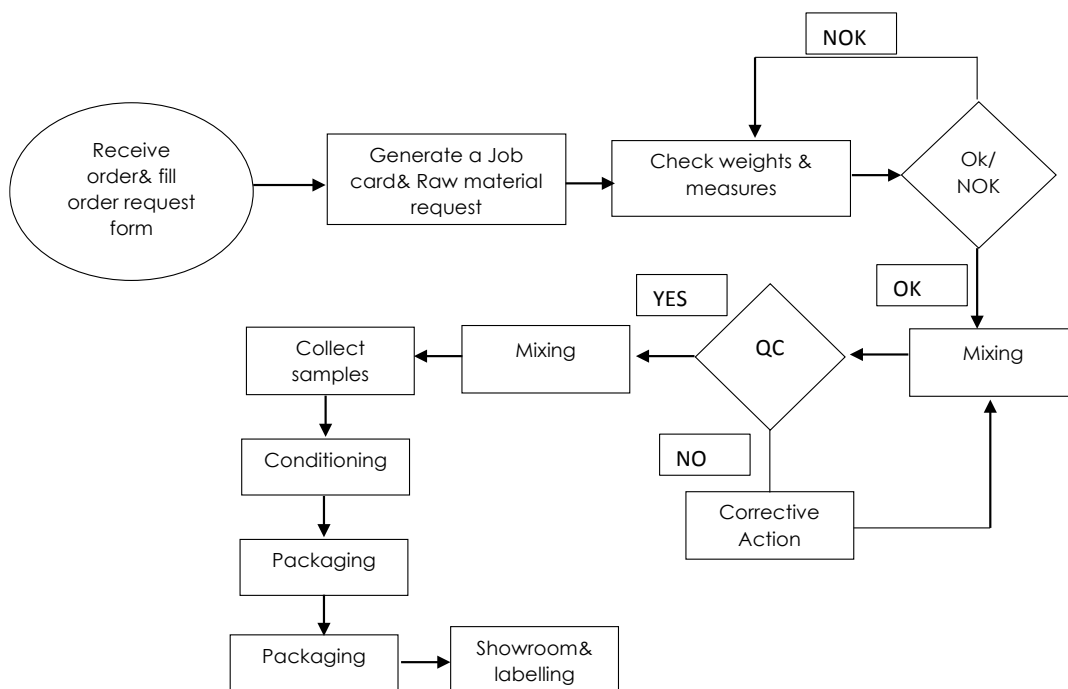
Company Organogram



Project Team

- Kennedy Tommy- BNPC Consultant
- Onalethata Chwene- BNPC Consultant
- Tshoganetso-SHE Officer

Process flow



Challenges

The Gemba walk conducted by the BNPC Consultants on 13th August 2020 indicated the existing problems in the shop floor which justified the need to implement 5S methodology.

The following are the deviation from the workplace organisation and housekeeping principles:

- The storage area is becoming congested thereby, preventing employees from cleaning properly, storing and easily accessing empty bottles and other stored items.
- Wasting time in search of unnecessary tools, materials, and information,
- Unneeded and unused items are found in the production area and storage area, i.e., inability to distinguish between needed and unneeded items.
- Raw materials, WIP and finished products require designated storage, they put everywhere and anyhow.
- Employees perform too much unnecessary transportation of raw materials due to inefficient factory layout.

- An adequate level of safety not ensured at the storage area due to raw material placed directly in front of exit area.
- Expiry of raw material due to inefficient warehouse layout process
- Root/ Potential cause
- Lack of knowledge of 5S and other operational excellence methodologies
- Lack of skills, expertise and technical know how
- Lack of formalised work process
- Disruptive and inefficient workflow

Problem Statement

“Poor housekeeping, workplace organisation, safety problems or challenges at Zila Investments”
BNPC Approach

Measures: Implementation of 5S methodology

BNPC undertook the introduction and implementation of 5S methodology to address the “Poor housekeeping, workplace organisation, safety and equipment break down problems or challenges at H20 Infinite.

5S Roadmap

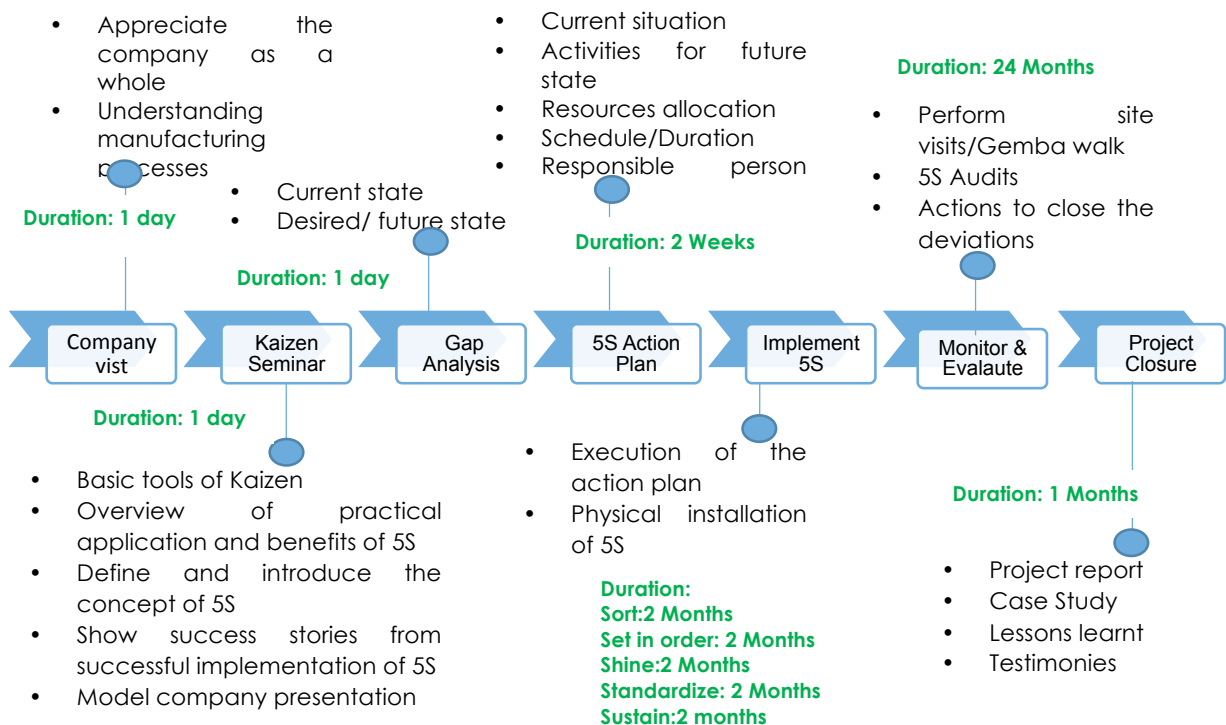


Figure 2: 5S Roadmap

5S Implementation Approach

The 5S implementation approach followed the below standardised procedure developed by BNPC.
Sort

- Take the before pictures throughout the process of sorting to establish a baseline.
- Designate and mark/ label a holding/Red tag area (use a red tape to mark)
- Categories items in to two categories i.e., necessary (needed) and Unnecessary (unneeded).
- Identify needed and unneeded items.
- Decide what to throw and the action required, see below:

Unnecessary items	Required action
No potential use (no value)	Throw away immediately
Potentially useful or valuable	Consider where useful and move i.e., within the process, different work area or different department
Items having no value and requires special disposable i.e., chemicals	Arrange safest and inexpensive disposal

Figure 3: Action for Sort phase

- Document the results and develop an action plan
- Periodical machine cleaning and inspection to ensure machines are free from dust, oil leakages and other foreign materials.
- Stored items, materials and products are kept clean all time
- Establish a regular schedule for routine cleaning.
- Set up cleaning tools and the required materials in such a manner so that they are easily retrieved for use.
- Assign 5minutes of cleaning at the beginning of shift and at the end of shift

Set In order

- Ensure optimal layout of items (machines, material, products, tools etc.)
- Mark work area, aisle ways, WIP with floor tapes
- Place frequently used items at the point of use and arrange them in a chronological order as per the workflow. (Follow the standard operating procedure for that area if it is available).
- Item used sometimes should be placed further away from the work area
- Items not used but most be kept should be stored separately with clear identification.
- Put everything in its place with pre-determined quantities.
- Identify items with labels, name, colour codes and locations.
- Take the after pictures and update the action plan
- Shine
- Clean the floor more frequently to assure that there is no garbage, water, oil, chemicals, powders etc. on the floor.

Standardise

- Establish a 5S display board.
- Assign responsibility to individuals for a work area
- Develop checklists, procedures, and processes to maintain the three “S”.
- Develop 5S standardized work instructions.
- Introduce visual tools to enforce 5S practices.
- Perform 5S regular audits/assessment and come up with measures to address the deviations.
- Maintain high standards of housekeeping.

Sustain

- Establish 5S training program and train all employees.
- Display 5S audit results, monitor and display 5S trends.
- Display 5S success stories i.e., before and after pictures.
- Review and regularly update procedures to improve it as necessary.
- Establish a reward and recognition system

Client’s Role

- Align the company/ organization to adopt 5S
- The client undertakes to implement, where possible, the recommendations of the diagnostic report/ action plan as per the timeline.
- Allocate and avail resources to implement the 5S
- Address the deviations and short falls that may hinder the successful implementation of the project.
- Maintain and sustain the gains of 5S methodology.
- Ensure ongoing 5S training for both new and old employees.
- Establish and encourage the mind set and culture of continuous improvement across all levels of the organization.
- Create motivation for 5S and opportunities to improve the methodology.
- Perform 5S Audit to ensure compliance and adherence to the methodology.

Results and Impact

The 5S practice was used to optimise workplace and housekeeping conditions in the production and warehouse shopfloor facility. As a part of undertaking this event, changes were made to raw material organisation, stirring paddles storage, cleaning equipment storage and other areas that needed better organisation.

GAP ANALYSIS REPORT	
Current state/ Problem	<ul style="list-style-type: none"> • Stirring paddles placed anywhere anyhow in the production area
Kaizen Theme	<ul style="list-style-type: none"> • Improve and sustain the life span and reliability of the pump
Measures Taken	<ul style="list-style-type: none"> • Allocate designated area for stirring paddles • Design and assembly a portable structure to store the stirring paddles
Achievements	<ul style="list-style-type: none"> • Improved time for stirring paddles retrieval
Other Benefits	<ul style="list-style-type: none"> • Improved housekeeping and workplace organisation

BEFORE



Tools, parts and equipment were placed anywhere and anyhow

AFTER



Tools and parts box was introduced in store items and labelling was also done

GAP ANALYSIS REPORT

Current state/ Problem	<ul style="list-style-type: none"> • Different raw material stacked together unorderly. • Unorganised raw material storage area • No walkways/passage inside the storage area • Lack of visual control within the storage area i.e., signage, labels • The font and size of raw materials label is too small
Kaizen Theme	<ul style="list-style-type: none"> • Create space, improve housekeeping& workplace organisation
Measures Taken	<ul style="list-style-type: none"> • Sorting and cleaning • Segregate and assign each raw material a designated area • Display raw material name at each location (re print the labels with a larger font size for visibility) • Separate liquid raw materials from powder raw materials • Decongest the storage area by storing incoming goods to the other storage
Achievements	<ul style="list-style-type: none"> • Improved space utilisation • Reduced searching times for raw materials • Easy access of raw materials
Other Benefits	<ul style="list-style-type: none"> • Improved house keeping • Improved workplace organisation

BEFORE



Items were placed in warehouse without proper arrangement and labelling

AFTER



Proper arrangement of raw material in the storage room was done and labels were also introduced to identify stored items.

GAP ANALYSIS REPORT

Current state/ Problem	<ul style="list-style-type: none"> • Visibility and accessibility of electrical socket compromised due to items stored directly in front of them
Kaizen Theme	<ul style="list-style-type: none"> • Maintain accessibility and visibility of the electrical socket
Measures Taken	<ul style="list-style-type: none"> • Relocate the items to a different location and keep the area clear of any obstructing items.
Achievements	<ul style="list-style-type: none"> • Easy access to the electrical socket • Improved safety
Other Benefits	

BEFORE

There is hazard of items placed in front of electrical socket which lead to compromised access and safety



AFTER

Items in front of electrical socket have been taken out creating necessary space to access the socket



GAP ANALYSIS REPORT

Current state/ Problem	<ul style="list-style-type: none"> • Cleaning equipment's placed in the same area as raw materials inside the storeroom. • No area assigned specifically for cleaning equipment
Kaizen Theme	<ul style="list-style-type: none"> • Assign a proper station for cleaning equipment's
Measures Taken	<ul style="list-style-type: none"> • Design and assembly a portable structure to store cleaning equipment's
Achievements	<ul style="list-style-type: none"> • Improved accessibility and visibility of cleaning equipment's
Other Benefits	<ul style="list-style-type: none"> • Improved workplace organisation • Improved housekeeping

BEFORE

Cleaning equipment were placed near or around raw materials



AFTER

Cleaning material and equipment box was introduced, and proper storage of cleaning tools became the norm and or practice.



GAP ANALYSIS REPORT

Current state/ Problem	<ul style="list-style-type: none"> • Wrong items placed in the wrong location in the prod area. • Storage area labelled 5L Caps, red & white, 20&25L caps but has items such as helmets, brushes, empty cans, and empty containers. • Unnecessary items congesting the production area. • Unorderly arrangement of items in the production area i.e., phones, stirring paddles and cleaning equipment placed in the same area haphazardly.
Kaizen Theme	<ul style="list-style-type: none"> • Improve housekeeping and workplace organisation • Establish a proper place for the telephone
Measures Taken	<ul style="list-style-type: none"> • Sorting, set in order and cleaning and remove all the items that do not belong to this red storage area • Put a visual aid for Ok and Not Ok scenario for sustenance • Design a simple structure to place the phone
Achievements	<ul style="list-style-type: none"> • Reduce retrieval time for caps and tools • Smooth and systematic workflow
Other Benefits	<ul style="list-style-type: none"> • Improved housekeeping • Improved safety of the phone

BEFORE



Tools were placed anywhere without proper location for storage and where there was storage and labelling there was no due diligence in placing items as anything was thrown in the storage box

AFTER



Stations of items were identified cleaned and relevant items were placed where applicable in an orderly manner.

GAP ANALYSIS REPORT

Current state/ Problem	<ul style="list-style-type: none">• Exit door obstructed by raw materials and other items• Blocking and obstructing exit doors and routes will create delay, panic, and confusion in the case of an emergency and acts as a safety hazard.
Kaizen Theme	<ul style="list-style-type: none">• Keep exit doors clear and unblocked to allow for quick and safe exit in case of an emergency
Measures Taken	<ul style="list-style-type: none">• All and any exit within the plant should be considered a potential exit to safety• Remove all the raw material and other items obstructing the exit door
Achievements	<ul style="list-style-type: none">• Better safety of employees
Other Benefits	

BEFORE



Raw material and other items placed directly in front of the exit door.

AFTER



All raw materials and other items obstructing the access to the exit door were removed

Table 1: 5S Action remarks

Pillar	Actions	Remarks
Sort	<ul style="list-style-type: none"> Eliminate all unwanted/unneeded materials in the workplace Remove all unused machines, equipment, and tools Make it a habit that all unnecessary items are easily recognised Decide what to throw away and dispose 	<p>The shopfloor workers back slide to old working ways at some point during sort implementation.</p> <p>Deviation or challenges were addressed by staff and BNPC consultants and the “sort phase” was implemented exceptionally well.</p>
Sort	<ul style="list-style-type: none"> Clean the floor more frequently to assure that there is no garbage, water, oil, chemicals, powders etc. on the floor. Periodical machine cleaning and inspection to ensure machines are free from dust, oil leakages and other foreign materials. Stored items, materials and products are kept clean all time Establish a regular schedule for routine cleaning. 	<p>By virtue of the business being a chemical processing plant, attention has been given to adequately clean both the storage area and production area.</p> <p>Cleaning and dusting are performed daily without failure.</p> <p>Machine inspection is performed on daily basis and problems are fixed.</p>
Standardise	<ul style="list-style-type: none"> Clean the floor more frequently to assure that there is no garbage, water, oil, chemicals, powders etc. on the floor. Periodical machine cleaning and inspection to ensure machines are free from dust, oil leakages and other foreign materials. Stored items, materials and products are kept clean all time Establish a regular schedule for routine cleaning. 	<p>The company need to do more in documenting the procedures, work instruction that are process related.</p> <p>Develop cleaning and machine inspection checklists</p>
Sustain	<ul style="list-style-type: none"> Establish a 5S display board. Assign responsibility to individuals for a work area Develop checklists, procedures, and processes to maintain the three “S”. Develop 5S standardized work instructions. Introduce visual tools to enforce 5S practices. Perform 5S regular audits/assessment and come up with measures to address the deviations. Maintain high standards of housekeeping 	<p>The organization needs to improve the degree of systematization and institutionalization in the workplace</p>

Audit Results

To maintain the implemented principles of the 5S method, audits were periodically carried out in the company using 5S evaluation checklists. The 5S checklist used for evaluation in this project has five subdivisions: sorting, set in order, shining, standardize and sustaining. Each section has several questions to use when evaluating 5S in the workplace. The 5S checklist was used in collaboration with the OFI action plan to list potential improvements for the workplace. The score of each section was determined and necessary measures were taken if the corresponding section has a low score. The total score of the checklist is out of 125 points. Each question has a possible grade between 0 and 5 points and a ranking of 0-125. The description for the scores from 0 to 5 and rating of 0-125 is shown in *Table 2*.

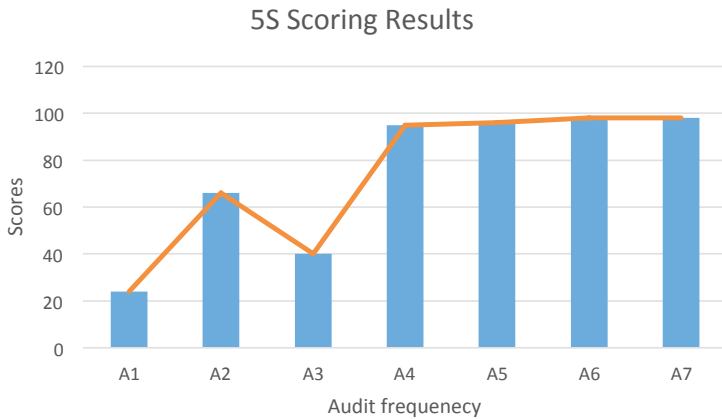
Table 2: Assessment criteria

Company Performance					
Score	Description	Rating	Description	Initial Rating	Final Rating
5	Best Practice or No Finding at the Audit	100-125	Best Practice		
4	Almost Best Practice, but not adequate	75-100	Very Good		Very Good
3	Executed most of area, but need improvement	51-75	Fair		
2	Executed some area	26-50	Poor	Poor	
1	Not executed at all or not visible to see	0-26	Very Poor		

Table 3: 5S Audit results

Audit	Sort	Set in order	Shine	Standardize	Sustain	Total	Practice
A1	5	10	9	0	0	24	Very Poor
A2	15	18	17	11	5	66	Fair
A3	10	9	5	11	5	40	Poor
A4	19	20	22	18	16	95	Very Good
A5	20	20	22	18	16	96	Very Good
A6	20	22	20	20	16	98	Very Good
A7	20	20	22	20	16	98	Very Good

Figure 4: 5S Overall Audit Results



The performance of Zila Investments from the initial and final assessment are as follows as evidenced from Table 2&3, and Figure 4:

- Initial/ baseline (1st Score) score was between 26-50 “Ver Poor” indicating that 5S practices are not executed at all. This corroborate the initial assumption of the Consultant that most of the SMEs are not practicing 5S methodology due to lack of knowledge about it. The initial observation from Figure 5 shows that they scored more on the 2S (set in order) due to visibility of names displayed on some raw materials and some floor markings in the production area.
- It is also evident from Table 3& Figure 4 that after the implementation of the first 3S (sort, set in order, shine) the company performed well on the second audit as it scored 66 out of 125 (fair practice) as compared to the initial 24. This result indicates that 5S practices are executed in most of area but need improvement.
- The third audit result show that the company regressed from fair practices of 5S to poor practices. At this point the company had back slide to old working ways due to the departure of the Production supervisor who was the coordinator of 5S.

- It is also evident from Table 3& Figure 4 that from audit 4 to 7, the company was performing excellently well and consistently scoring between 95-98 (very good practice) indicating that 5S practices are almost best practice, but not adequate. This is an indication that 5S practices have been adopted and ingrained on the daily operations of the company and they are able to sustain the initiative without going back to the old working habits. It shows that 5S activities are performed by the company with full commitment and with proper discipline, thus resulting in acceptance of the 5S system. With this performance the company was able to fulfil the requirements of 5S set by the Consultants.
- Results from the individual phase performance in Figure 5 indicate that on average the company performed well on the Set-in order, and shine phase and performed relatively low on the standardise and sustain phase.

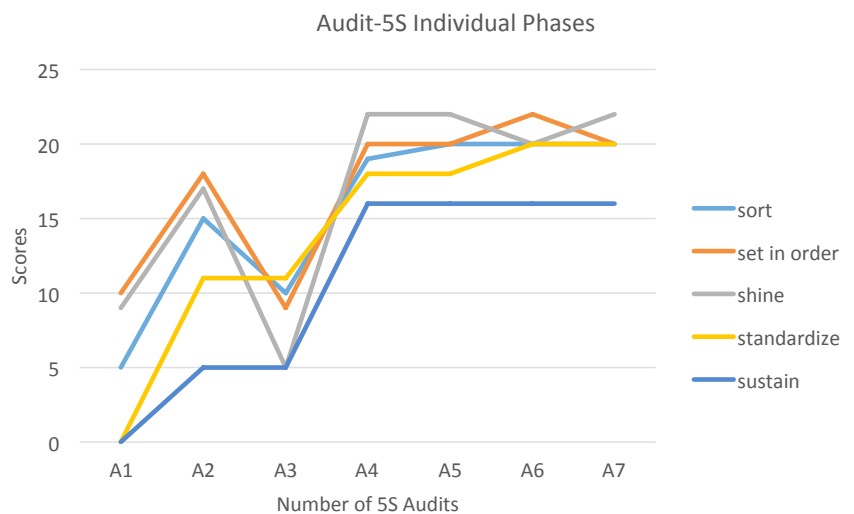


Figure 5: 5S Individual phase results

Conclusions and Recommendations

The 5S deployment at Zila Investments was kick started with sorting phase after receiving the action plan from BNPC Consultant. This resulted in the removal of unwanted or unneeded items in the warehouse and production area. This helped eliminate clutter and necessary materials or items were stored where they could be easily accessed. The incoming raw material were placed at the other storage area to reduce congestion at the main warehouse.

After successful implementation of sort phase, the company transitioned to the set-in order phase. This stage helped organise the items and raw materials to optimise efficiency and flow. Every powdery raw material was separated from liquid form raw materials and labelled on the wall for easy identification and retrieval

The set-in order stage was followed by the third phase which is shine. The focus was placed on keeping the production and warehouse area clean or free from garbage, powder dust, water, oil, spillages of finished products and any unneeded items.

If the 5S practices are not maintained, the company will slide back to the old working ways or habits. The remedy to that is the introduction of the fourth stage which is standardization. The 5S standards and audit checklists were developed for operational usage.

The last phase is the sustain stage. The success and institutionalisation of the 5S initiatives depends primarily on its maintenance through the set standards. BNPC Consultants performed regular 5S audits and highlight areas of improvement. The in-house SHE coordinator also performed the internal audit towards the last month of the 5S deployment project. The findings and recommendations were recorded on the SHE actions plan.

In conclusion, the successful deployment of 5S was due to the commitment of the company management and shop floor operators. Though at some stage of the 3S implementation, the company back slide to old working ways and to address this issue, BNPC Consultant in collaboration with company management, offered in-house awareness training to the shop floor employees.

The following potential recommendations are outlined below:

- The company should improve on the visual management (before and after pictures, display of work instruction, visual aids etc) standardised through these initiatives. In a visual workplace, the out of standard situations are immediately noticed and easily corrected.
- Perform regular audits and address all deviation or non-conformances through a systematic or standardised approach, by doing so the company will be able to sustain the 5S program and measure the performance of the system and avoid the sliding back to old working ways.
- Include shop floor operators on rotational manner in performing 5S audits and point out areas which need improvement.
- Establish information display boards to display 5S / process audit/QMS audit so that process owners or operators could be made aware of the improvements required in their workstation or areas.
- Improve on floor markings to indicate walkways, WIP, finished goods etc.
- Establish training program for 5S or process improvements initiatives. The company was advised to contact supporting agencies such as BNPC for such services.
- As a steady fast growing manufacturing SME, the company should see beyond 5S and implement other operational excellence methodology such Lean manufacturing. The company has potential to implement such initiatives.
- One of the barriers of 5S implementation established by the Consultant was lack of skills, knowledge, and technical know-how on continuous improvement methodologies. Therefore, the company should invest in this area to address these gaps.
- There is need for the company to include process improvement initiatives in their operational strategic plans so that financial and labour resources are adequately provided, and proper checks and balances are put in place. The 5S initiatives must be covered inside the strategic plans of the business.
- The company should come up with operational excellence projects that contribute to the bottom line of the business.

The background is a solid teal color. In the center, there is a faint image of a hand holding a globe. Surrounding the globe are several small, light-colored icons: a computer monitor, a handshake, a shopping cart, a padlock, and a magnifying glass over a globe. The number '06' is prominently displayed in the center in a large, white, serif font.

06

CASE STUDY-SEROWE
MARKETING
COOPERATIVE
(PTY) LTD

Case Study-Serowe Marketing Cooperative (Pty) Ltd.



By Onalethata Chwene and Jacob Mmola

1. Project Background

1.1 Introduction

In line with Botswana's national objectives of reducing unemployment, supporting economic diversification and promoting private sector growth, the Botswana National Productivity Centre (BNPC) undertook a business Turnaround Solutions project. This initiative involved identifying distressed and struggling companies to be enrolled. Trusted and tested methodologies were utilised to analyse the enrolled distressed organisations and, depending on the diagnosis, practical advice and tools were provided. The turnaround solutions project intended to assist enrolled businesses to optimise operations, increase revenue, improve cash flow management, improve financial performance, enhance competitive advantage, create and save jobs. This type of intervention required financial injection which helped to stop the bleeding and stabilized failing businesses.

The turnaround solutions project kicked off with a preliminary assessment, with the main objective of this stage being to establish whether the company in question is indeed distressed. The preliminary assessment is highly dependent on the financial information provided by the company. Once it is established that the company is a candidate for a turnaround solutions strategy, then this is followed by in-depth analysis. The methodologies to be utilized for the in-depth analysis include the South

African Turnaround solution in-depth analysis.

- The analysis under these methodologies encompasses a comprehensive investigation of enrolled companies in each of the following areas; Human Resource Management, Management and Leadership, Production/ Service delivery, Marketing and Sales, Environmental Management, Organisational Structure, Strategic Planning, Financial analysis, and a SWOT Analysis. On completion of the in-depth analysis, a turnaround solutions strategy, unique to each enrolled company, is formulated and implemented. The final stage of the project involves an impact assessment and monitoring to establish areas of project success.

The duration and intensity of the turnaround solutions strategy was largely dependent on the situation within a company. The more challenges a company faced, the longer the enrollment time it required. The project was expected to run for six(6) to 18 months upon company enrollment. To be eligible for the project companies had to meet the following criteria.

- Must be citizen owned
- Must have three (3) years financial statement
- Be registered
- Employ more than five(5) employees
- Must be willing to commit to the project for a minimum period of one(1) year
- Must be operating in Gaborone and Francistown or be in a proximity of a 100 km radius of Gaborone and Francistown.

Company background

- Type of business/ legal entity
- Cooperative
- Location of the business
- Serowe village in Central District of Botswana
- Directors/owner
- Board of directors and members
- Products/services
- Retailing (Agricultural products/supplies and fuels)
- Real Estate

• Target market and customers

Farmers in Serowe and surrounding areas, business tenants and motorists. The main customers of the cooperative are board members and members of the cooperative. Customers are mostly attracted by the quality of products and the price.

• Market share in market segments

The business used to have a significant market share as the profits of the business were good as compared to the current situation where the business is continuing to make losses for the past

few years.

• Current staff

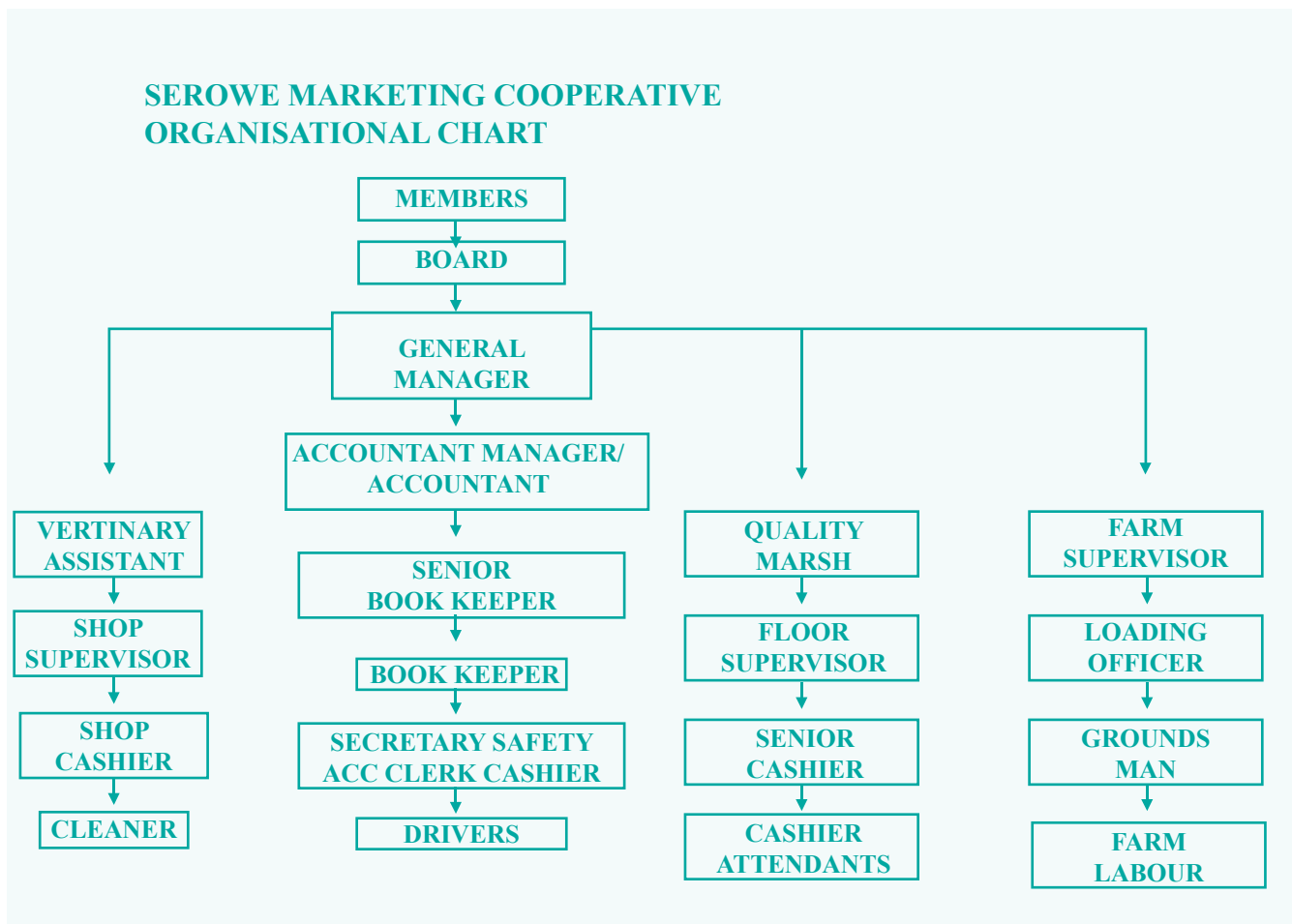
Complement 46 employees who are mostly trained and qualified according to management. The board is well considerate of employees' welfare which accompany emoluments and the retention of employees is very high.

- **The competitors** of Serowe Marketing Cooperative Limited included Agrifeed, Botswana Agricultural Marketing Board, Feed Centre and Agricop.

• Additional information related to the business

- The business has the following assets;
- Main shop building
- Filling station
- SMC complex
- Mabeleapodi Cooperative building
- Mannathoko empty plot
- Bogoma feedlot
- Mmabogopa feedlot plot
- Two vehicles (Truck and van)

1.2 Company Organogram



1.2 Project Team

Onalethata Chwene-BNPC Consultant
 Jacob Mmola-BNPC Consultant

2. Challenges

2.1 Problem Statement

“The overview of performance history and decline of the cooperative”.

2.2 Potential Causes

Main Constraints/Challenges
• Main shop losses
• Tenants failing to pay rental
• Idling properties (Non-income generating)
• Lack of business acumen of board members
• Lack of marketing strategy
• No input of changes/improvements to the current Act of Cooperatives
• Reliance on government audits for financial audits which impact negatively on tax clearance
• Inability to retain qualified and experienced veterinary assistant officers

Figure 2: Company Challenges

Findings on employee records;

Strengths

- Conditions of Service document covers all the basic aspects of the Employment Act
- Contracts of employment are in place and signed by both employer and employee
- Records of Disciplinary cases have been documented
- There is evidence of Job Descriptions which are in line with best practice of drafting Job Profiles

The below are human resources challenges to support the implementation Turnaround

methodology on operations. These identified challenges may constitute a “Poor performance and decline”;

- No evidence of medical examinations prior to engagement and at termination of employment. This is a standard practice in most organisations.
- Exit interviews are not done for all employees. These interviews help to gauge the reasons behind employees leaving the company
- The contract for Veterinary Technician had not been signed yet
- No evidence of employer/employee engagement on matters of mutual interest e.g. negotiations

2.3 General Operational Challenges

The organisation is currently facing the following general operational challenges which will not necessarily be addressed in detail in this report;

- The competitors of Serowe marketing Cooperative limited included Agrifeed, Botswana Agricultural Marketing Board, Feed Centre and Agricop. The cooperative is currently struggling to be competitive in the midst of these competitors who they sometimes purchase stock from.
- The leadership of the organisation consists of board members and management. The current arrangement is such that board members are being elected or chosen every year where criteria for choosing these board members minimum requirements does not attract the youth as desired by the current leadership. Most board members are elderly people who are not inducted as they join the cooperative. There is little or not enough input from them in terms of improvement or development initiatives which may grow and sustain the business.
- Distressed areas for the cooperative include, but are not limited to losses by the main shop, filling station shop, tenants' failure to pay rent and Bogoma feedlot which is not operating. Financial analysis is currently a challenge to the cooperative because of delays in auditing reports and board members do not fully understand financials of the cooperative. There is poor or no marketing interventions for the cooperative.
- The legal challenges: The cooperative once incurred heavy penalties of tax returns. The current arrangement for auditing financials of the cooperative by government auditors experiences delays which lead to late tax returns submissions and tax clearance issuance happens late which deters the cooperative from capitalising on tenders which the business can participate in.

SEROWE MARKETING COOPERATIVE SOCIETY LIMITED FINANCIAL ANALYSIS				
PROFITABILITY RATIOS				
	2014	2015	2016	2017
Sales	P 42,949,361.00	P 35,951,953.00	P 36,464,937.00	
Cost of Sales	P 39,812,672.00	P 34,052,090.00	P 33,477,827.00	
Gross Profit	P 3,136,689.00	P 1,899,863.00	P 2,987,110.00	
Gross Profit Margin/Percentage Markup	7.30%	5.28%	8.19%	
<ul style="list-style-type: none"> • gross profit ratio is essentially the percentage markup on merchandise from its cost • A good online retailer's profit margin is around 45%, while other industries, such as general retail and automotive, hover between 20% and 25% • The above gross profit margins show that the cooperative is currently way below expected percentage markup for retailing <p>*Therefore, there is need for intervention to improve the gross profit margin</p>				
Operating profits	P 346,787.00	-P 680,188.00	-P 46,415.00	
Operating profit margin	0.81%	-1.89%	-0.13%	

- Retailers usually have a low profit margin compared to other sectors: Brick-and-mortar retailers tend to have profit margins between 0.5 and 4.5%. Web-based retailers generally have higher profit margins, while building supply and distribution retailers have the best margins — reaching as high as 6.5%.
- The above profit margin trends show that the cooperative is not doing well with operating profit margins
- Interventions are needed to improve operating profit margin to acceptable margin

Figure 3: Company Financials Analysis

Two Feedlot Farms and Mabeleapodi Cooperative Building Before Photos



Figure 4: Company “before photos”

3. BNPC Approach

BNPC undertook the introduction and implementation of turnaround methodology to address the “Poor performance and decline challenges” at Serowe Marketing Cooperative:

Problem Identified: Poor performance and decline of the cooperative.

Background Information

Botswana’s national strategic imperatives seek to create an enabling business environment for private sector development and growth by proposing interventions to alleviate major constraints. ‘Vision 2036’ and the ‘National Development Plan 11’ reinforce the government’s desire to have the private sector drive economic development in Botswana and to have a reduction in unemployment. A robust and thriving private sector is, no doubt, capable of offering solutions to such challenges. It is with such intents that the BNPC, seeks to develop and implement a Turnaround Solutions Programme to improve competitiveness of the Private Sector in Botswana to companies that are ailing in order to secure sustainable businesses and growth for the future.

Key Gaps

Successive World Economic Forum Global Competitiveness Reports (GCR) indicate that Botswana companies provide goods of poor quality (ranking 117 out of 137 countries in 2017/18), poor production processes (93 out of 137 countries) are not optimizing potential lying within clustering (102 out of 137 countries), have a low customer orientation (120 out of 137 countries). The County’s performance in the World Bank Doing Business Report and WEF GCR Reports will not improve unless private sector productivity is not improved. Furthermore, it is the private sector that creates jobs. Government only provides the

enabling environment in partnership with other stakeholders.

Objectives & Scope

This programme is aligned to Botswana Government’s objective of reduction of unemployment, support of economic diversification, enhancing private sector growth and of saving and creating jobs. The objectives of this project is;

- To assist companies that are underperforming to make them sustainable
- To support the growth and export potential of companies

3.1 Implementation of the Turnaround Methodology

The model is adopted from Productivity South Africa in their Turnaround solutions interventions. The process starts with the nurturing which involves introducing the BNPC team to the company. This will be followed by a preliminary assessment in order to establish if the company meets the set criteria. If the company does not meet the criteria, then the process discontinues. If it meets the criteria, then we identify and manage any crisis. In the absence of crisis, or if the crisis has been managed, then we conduct an in-depth assessment. In depth analysis encompasses the following pointers;

- Human Resource Management
- Production/ Service delivery
- Marketing and Sales
- Strategic Planning
- SWOT Analysis

Proceeding from the in-depth analysis, a strategy is formulated and implemented with the view to improve identified areas in which the company is ailing. The final stage involves an impact assessment to establish areas of project success.

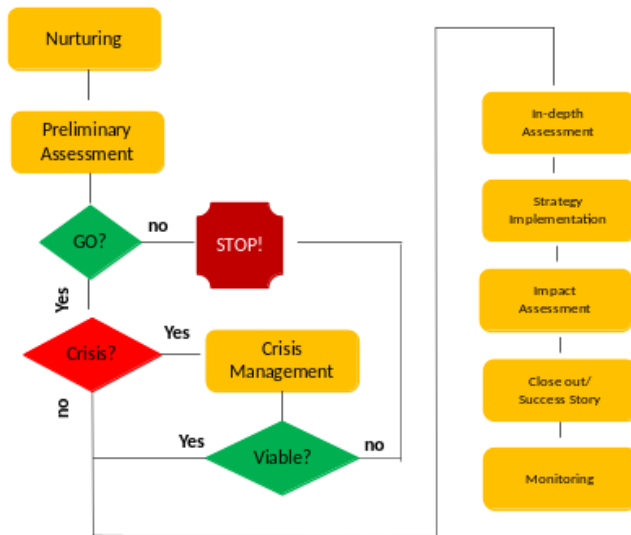


Figure 5- Turnaround Process Flow Chart

Implementation

The Turnaround solutions largely depends on the situation within a company. Normally, companies that benefit from the turnaround programme should have a minimum of 50 employees as adopted by the Productivity SA programme. The programme as implemented by Productivity SA takes about 18 to 24 months for it to be effective. Anything less than this means the company will not benefit fully from the project. It is not easy to expect quick wins if the company is in the turnaround project. Sometimes it can even affect management as the consultant can recommend a management takeover for the period the company is being assisted.

The turnaround project implemented by Productivity SA is partly funded by the Department of Labour to the tune of 70% while the company has to pay consultancy fees to Productivity SA for the remaining 30%. This largely will depend on the situation the company finds itself in. There are two ways of charging established by Productivity SA, that is, per consulting and through business rescue where the company is in crisis. In both methods the company has to pay for the 30% fees.

The situation here in Botswana is that a lot of the private companies needing this assistance are smaller with employees less than 50. Given this, the project will enroll companies that employ five(5) or

more employees, which have been in existence with financial statements for the said period. Companies enrolled in the project will be fully subsidized and not required to pay anything in monetary terms. With the reduction of employee number requirements in

Botswana, a reduced implementation timeline of 12-18 months will be sufficient.

3.2 Client's Role

- Align the company/ organisation to adopt Turnaround methodology
- The client undertakes to implement, where possible, the recommendations of the diagnostic report/ action plan as per the timeline.
- Allocate and avail resources for implementation
- Address the deviations and short falls that may hinder the successful implementation of the project.
- Maintain and sustain the gains of Turnaround methodology.
- Establish and encourage the mind set and culture of continuous improvement across all levels of the organisation.

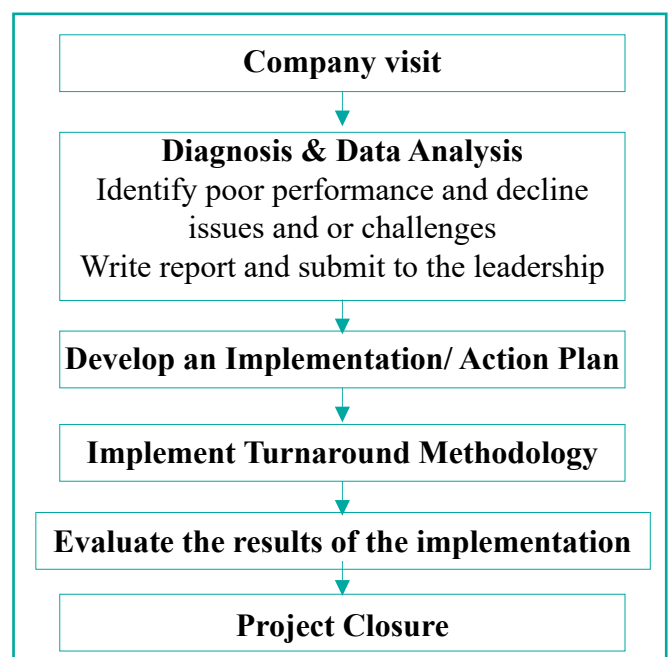


Figure 6: Turnaround Programme Road Map

3.1.2 Turnaround Project Timeline

<i>Task Name</i>	<i>Duration</i>	<i>Start</i>	<i>Finish</i>
SEROWE MARKETING COOP TAS-PROJECT	532 days	Tue 19/03/19	Wed 31/03/21
Nurturing	22 days	Tue 19/03/19	Wed 17/04/19
Establish Contact and make appointment	1 day	Tue 19/03/19	Tue 19/03/19
Site Visit	1 day	Fri 29/03/19	Fri 29/03/19
Receive application forms, Letter and Financial	days	Thu 11/04/19	Thu 11/04/19
Preliminary Assessment	3 days	Mon 15/04/19	Wed 17/04/19
Evaluation for eligibility	1 day	Mon 15/04/19	Mon 15/04/19
Motivational Letter	1 day	Tue 16/03/19	Tue 16/04/19
Authorisation of enrollment	1 day	Wed 19/04/19	Wed 17/04/19
Indepth Assessment	73 days	Thu 11/04/19	Mon 22/07/19
Company diagnosis	73 days	Thu 11/04/19	Mon 22/07/19
Board Management Committee interviews	1 day	Thu 11/04/19	Thu 11/04/19
Main shop Interviews	1 day	Fri 10/05/19	Fri 10/05/19
Site Visits to business units	1 day	Wed 26/06/19	Wed 26/06/19
Business Process mapping	1 day	Mon 22/0719	Mon 22/0719
Implementation	433 days	Mon 22/07/19	Wed 31/03/21
Board Members Seminar	1 day	Mon 22/07/19	Mon 22/07/19
Brainstorming ideas for turnaround	1 day	Mon 22/07/19	Mon 22/07/19
Prioritization turnaround ideas	1 day	Thu 12/09/19	Thu 12/09/19
Prioritization turnaround ideas	1 day	Thu 12/09/19	Thu 12/09/19
Projects Deliverables	321 days	Fri 13/09/19	Fri 04/12/20
Projects Activities	321 days	Fri 13/09/19	Fri 04/12/20
Recruit commission based marketer	34 days	Mon 16/09/19	Thu 31/10/19
Find alternative livestock market for members	142 days	Mon 16/09/19	Tue 31/03/20
Set up Milling business unit	142 days	Mon 16/09/19	Tue 31/03/20
Buy Franchise	320 days	Mon 16/09/19	Fri 04/12/20
Fodder production	143 days	Fri 13/09/19	Tue 31/03/20
Establish mobile shop	21 days	Fri 13/09/19	Fri 11/10/19
Identify and ensure availability fast moving products	43 days	Fri 13/09/19	Tue 12/12/19
Monthly M & E Progress Reporting	405 days	Thu 12/09/19	Wed 31/03/21
Close Out	405 days	Thu 12/09/19	Wed 31/03/21

Figure 7: Project timeline

Interventions Required

The table below, provides details of interventions, according to the diagnostic analysis, that will have a direct impact on the organisation's sustainability affected by financial performance, employment, production/ service efficiency, productivity, access to markets or access to finance.

One-day seminar was conducted for the board members of the cooperative and the result of the seminar was to come up with ideas to improve operations of the cooperative and boost revenue or sales of the organisation. This was done to create a platform for action planning to deliver to the desired performance results of the cooperative. Below are the ideas that the two groups in the seminar came up with;

GROUP A	GROUP B
<ul style="list-style-type: none"> • Renting out units • Market stall (For day rental) • Bulk buying with other coops • Look for other livestock market for members • Fodder production • Identify fast moving products • Introduce other product to benefit members • Can start manufacturing of products • Buying a franchise • Milling • Staffing – optimal utilization of staff • Bait cafe (Can be used as member advisory tool) • Agency (Be or act as agents for other manufacturers) • Engage in value addition of livestock products • Branding – presenting the image of the coop as a trusted brand • Dog training (Guarding and guiding) • Cooking Tradition food 	<ul style="list-style-type: none"> • Franchise of the business (Saverite – Mabeleapodi) • Hotel/Lodge (Hospitality business) • Marketing (Taxi) • Tractor/implements hire services • To mobilize other coops to buy in bulk • To intensify marketing • Business partners (To inject working capital and collection of debts) • Mobile shop/unit

Figure 8: Brainstorming initiatives results

Selected Initiatives

Then the above ideas were prioritized according to the feasibility of them bringing positive performance results in the next few months and some of the initiatives above have already been planned for and implementation will soon follow. The results of prioritization session we held with the committee we are working with are as follows;

ACTION ITEM	ACTION AGENT/S
<ul style="list-style-type: none"> • Look for other livestock market for members • Fodder production • Identify fast moving products • Buying a franchise • Milling • Recruit commission based Marketing officer • Mobile shop/unit 	<p>Mr. Mmusi and Mr. Kutuso</p> <p>Mr. Mmusi</p> <p>Ms. Obocheleng</p> <p>Mr. Mmusi</p> <p>Mr. Lefoko</p> <p>Mr. Gaogane</p> <p>Ms. Mabikwa</p>

Figure 9: Selected Initiatives and action agents

4. Results and Impact

4.1 Action Plan for improving performance of the cooperative

Activity	Deliverables(Things to do to accomplish activity)	Action Agent	Start	Due	Progress Status	Way Forward	24 March 2021 Status
Recruit Commission Based Marketer	Identify potential marketers	Mr. Gaogane	16.09.2019	31.10.2019	Two candidates have been identified	Interviews to be conducted for potential candidates Terms and conditions to be developed	Not yet done
Identify and ensure availability of fast moving	Fast movers are antibiotics (Tere mizen)	Ms Obochelen	13.09.2019	12.11.2019	When making orders fast moving products are given priority	Observation is still been made	Done
Buy Franchise	Renovations	Mr. Mmusi	13.09.2019	31.03.2020	Maitanace is still ongoing; Ceiling has been fitted, roof is done, tiles are intalled and Saverite has been approached	Waiting for Franchisor nextweek to continue negotiations	Done; Saverite Franchise Supermarket has been opened and currently operating in Mabeleapodi village
Set up Milling at Mannathoko	Information gatherin To find out infrustructure Priority to be given to farmers members	Mr. Lefhoko	16.09.2019	31.03.2020	Sourced quotations To visit LEA for more information	Source transportation costs to and from Pandamatenga	Still on going, Quotations for machinery have sourced
Fodder Production	Still to be looked at	Mr. Mmusi	16.09.2019	31.03.2020	There has been rains and the agent need to go and check if planting can be done	Wildlife consume crops and they need to be dealt with	Halted
Find alternative market for livestock	Source market in Gaborone and locally	Mr. Mmusi & Mr. Kutuso	16.09.2019	31.03.2020	To source market at butcheries locally To supply the upcoming	To make commitment with clients with contracts	Saverite is absorbing livestock and export of live cattle
Establish Mobile Shop	Communities consultations	Ms Mabikwa	13.09.2019	11.10.2019	Communities have been consulted and interest was shown positively Shop department was informed	January is the best time to do mobile shop	Not yet done because main shop is performing well and Covid-19 movement restrictons hampers

Figure 10: Action plan of Selected Initiatives

4.2 After Photos for Mabeleapodi Saverite Supermarket



Figure 11: Saverite Supermarket in Mabeleapodi village

4.2 Financial Analysis Assessment Results

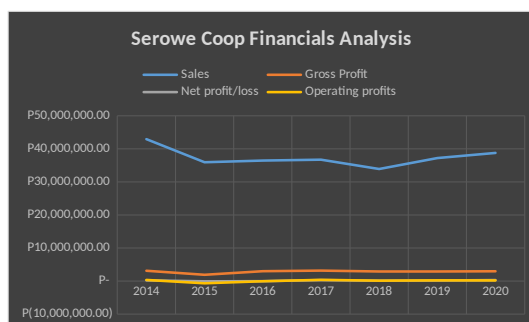


Figure 11a: Sales and profits results analysis

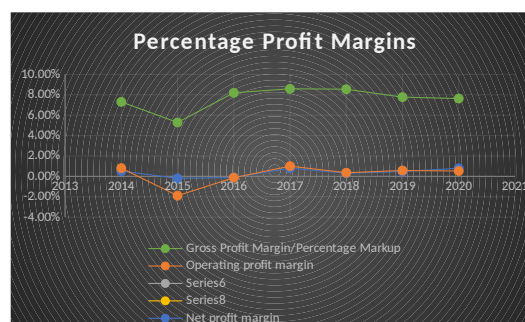


Figure 11b: Profits margins (%) results analysis

The above figures show that the cooperative has been struggling with profitability from year 2015 to year 2018. The pattern and trends of the cooperative started showing positive increase around year 2018 in sales which translated into positive profits. Even though margins are not high, the cooperative is currently experiencing positive trends of profitability.

4.3 Lessons Learnt

#	Log in date	Lessons learnt	Action	Log in by	Status
1	30-Mar-21	Board and Management commitment was key to the success of turnaround implementation		BNPC Consultants	Positive
2	30-Mar-21	During workshop for board members, business acumen was noticeable to be lacking or lower among members		BNPC Consultants	Negative
3	30-Mar-21	Area of improvement is noticeable in some areas especially sales at main shop due to monitoring and ensuring availability of fast moving products		General Manager	Positive
4	30-Mar-21	The management committee appreciate the skills transfer from consultants to them i.e., turnaround methodology implementation		Board/ Management committee	Positive
5	30-Mar-21	Turnaround awareness training by BNPC would have played a major role in changing the mind-set of employees towards deliverables initiatives		BNPC Consultants	Positive
6	30-Mar-21	Misunderstanding of some action items by Board members like engaging commission-based marketer	Management to clarify that costs associated with engaging commission based are very minimal while the cooperative can enjoy growth in sales	BNPC Consultants	Negative
7	30-Mar-21	There are other opportunities for BNPC and cooperative as there has been areas that we can further engage on like strategy development, human resources management issues and leadership intervention.		BNPC Consultants	Positive
8	30-Mar-21	Due to Covid 19 surge in Botswana, some of the action items were not completed due to its impediments		BNPC Consultants	Negative

4.4 Testimonies from company on benefits, impact, and learnings

Board/Management committee we were working with highly appreciated our intervention as BNPC for coming forth to give assistance that they needed as the cooperative. The committee appreciated the methodology of turnaround as it gave the drive to think and do something about the challenges they are currently facing.

The facilitation method that was used by the consultants also gave an important lesson to cooperative committee members such that they started to understand that we are there to guide them not to do work for them. They started to change their mindset and attitude towards finding solutions for the improvement of the performance of the cooperative by being innovative and creative and coming up with solutions for their current challenges. Therefore, BNPC was an eye opener for them in understanding business operations more concrete than initially. They were now feeling more empowered to take decisions and implement accordingly to improve business performance continuously.

The General Manager indicated that sales at the main shop are improving at desirable rates despite the current challenges of Covid-19 impediments of doing business. The manager at Saverite Supermarket at Mabeleapodi village gave testimony that the business unit is doing well, the community is excited and highly appreciate that the cooperative has brought goods and services at their convenience. The section that is doing very well at the supermarket currently is the butchery.

5. Conclusions & Recommendations

The turnaround solutions programme was implemented in the organisation and as seen above with before and after pictures, deliverables action

plan and financial analysis performance results indicating improvements that were noticed. Through follow-ups and assessments, improvements results were also experienced in terms of improving the company operations and implementing the project deliverables tasks of main activities as well as overall main activities. Management is now showing the culture of being problem solving oriented as they brainstormed and made suggestions in solving challenges faced by organisation. The cooperative hasn't made any retrenchments so far despite harsh conditions of low performance of the business. This is commendable because one of the turnaround solutions programme's objective is to avoid retrenchments, retain jobs, sustain them, and eventually create more jobs as opportunities arise.

The recommendation is to continue practicing turnaround solutions programme and adopt the methodology as a way of the organisation's culture to reap the benefits of the methodology. All the remaining deliverables should be implemented to continuously improve the performance results of the cooperative. The company should improve on assets management to enhance diversification of the cooperative's multiple streams of income. All assets which are not currently generating income to be assessed and action plan developed to generate income.

The cooperative should review their current Board elections process to meet the current requirements of members who can make objective business decisions in operating a profitable business. Rigorous board members induction is essential at the cooperative. Further engagements can be done to see how best we can harness the cooperative performance results, particularly in areas of leadership, strategy management and human resources management issues.

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20 horizontal dotted lines for writing.

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