



**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
MBA PROGRAM**

**ASSESSMENT OF KAIZEN PRACTICE: THE CASE  
OF ETHIOPIAN TOURIST TRADING ENTERPRISE.**

**BY**

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**AUGUST 2020**

**ADDIS ABABA, ETHIOPIA**

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**FURTUNA MEHARI (ID: SGS/0239/2011A)**

**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE  
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## DECLARATION

I Furtuna Mehari, declare that this research work on the topic entitled “Assessment of kaizen practice the case of Ethiopian tourist trading enterprise” is my original work and all the references used in the study are acknowledged.

Furtuna Mehari

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Name

Signature& Date

## ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Yirgalem Gerba

Advisor

---

Signature & Date



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## **ACRONYMS AND ABRIVATIONS**

- ETT - Ethiopian tourism trading enterprise
- PDCA - Plan, do, check and act
- AOTS - Association for Overseas Technical Scholarship
- APO - Asian Productivity Organization
- JODC - Japan Overseas Development Corporation
- JICA - Japan International Cooperation Agency
- SOP - Standard operating procedures
- JIT - Just in time
- TQM - Total Quality Management
- CI - Continuous Improvement
- BPR - Business process Re-Engineering
- QC - Quality circle



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## **Abstract**

*The purpose of this paper is to examine the assessment of kaizen practice in the case of Ethiopian tourist trading enterprise. The research gap is whether in this enterprise the implementation of kaizen brings the desired results or not. It focuses on the implementation of kaizen, the attitude of employees toward kaizen and at last it assesses the improvement of the enterprise after the implementation of kaizen. To achieve the above objectives descriptive research design and mixed research approach was employed; qualitative and quantitative method was used to gather primary data. The primary data were collected from survey questionnaire and semi structured interview. The target populations were from two departments (sales and production department) whereas semi-structured interview were made with the managements. The questionnaires were analyzed by descriptive analysis and the interview analyzed by content analysis. The findings indicates that because of lack of awareness about kaizen from the start, lack of adequate training, lack of resources required for kaizen implementation ,lack of improvement etc...implementation of kaizen in ETT is not sustained. Even though attitude of employee toward kaizen has positive outcome and still need little bit of work but implementation of kaizen and performance improvement after kaizen is implemented was not promising. So the researcher put recommendations for better output; to implement kaizen in a way it fit the organization culture and practice, continuous follow up, giving adequate training, fulfilling the necessary resource, full involvement of employee and management in the implementation of kaizen etc.*

*Keywords: Kaizen, implementation of kaizen, attitude of employee toward kaizen and improvement.*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

Kaizen is a Japanese philosophy which is a “process of continuous improvement in quality, technology, company culture, productivity, safety, and leadership”. (Barnes, T.1996). It originated in Japan and the word translates to mean change (kai) for the good (zen). Kaizen is more than just a methodology for continuous improvement. It is not a specific tool or set of tools to improve quality. Kaizen is a journey and not a destination. The objective of kaizen is to improve productivity, reduce waste, eliminate unnecessary hard work and humanize the workplace. Kaizen philosophy empowers everyone to assume responsibility for their processes and improve them. With Kaizen, workers at all levels of the organization are engaged in constantly watching for and identifying opportunities for change and improvement. Kaizen is not just a one-time event rather it is a process that occurs every day. It is PDCA cycle (Plan, Do, Check, Act). Kaizen began as part of the “Toyota Production System”, as a method to involve the entire workforce to improve product quality. Kaizen has since become one of the main factors for the country’s success. In Japanese companies, Kaizen is a way of life, involving everyone from individual to an organization. In Japan, kaizen is highly respected and considered instrumental in becoming one of the strongest industrialized countries in the world. Kaizen has contributed greatly to Japan’s competitive success (Barnes, T.1996).

Kaizen is as an instrument is used for change, problem-solving and is people-oriented process. It has been defined as any process of continuous improvement in any area of life: personal, social, home or work, and when applied to the workplace kaizen means continuing improvement involving everyone to managers and workers (Imai, 1991). Increasing competition calls for business organizations to devise ways of improving their competitiveness in the ever-changing global market. One of the ways organizations and firms can improve their competitiveness is by improving effectiveness of their systems. Kaizen as it is described above it was originated in Japan in 1950’s is one of the means that has been used widely especially in Asia to improve elements associated with the effectiveness of business organizations, with benefits already well documented (Mureithi, 2013).The benefits of kaizen management

practices includes immediate results, waste reduction, improvement in all areas, decreasing the general production costs, sustainable improvement of quality, delivery deadlines, working conditions, motivation and involvement of employees in the continuous improvement of enterprise's performance, ensuring discipline and standardization. Practice helped many firms in India to achieve better operational excellence and improve kaizen productivity (Endale, 2016). Kaizen implementation focuses on improving productivity, quality, cost reduction, quick delivery, establishing safety and raising workers moral in order to achieve better customer satisfaction and maximize the success of the enterprises (Addis Ababa Technical Vocational Education and Training Bureau, 2014). The Japanese described that due to their origin their organizations, applicability of kaizen to other countries with different cultures and different management styles still remains as a failure (Recht, 1998). With this in mind different researchers reported that the benefit of kaizen implementation is along with both social and technical dimensions of organization. According to Admasu Abera (2015) view the proper understanding of policy instruments, methods, culture, principles, and application techniques of the kaizen philosophy would be one essential step towards addressing and solving the currently existing problems and challenges.

The introduction of Kaizen in Ethiopia has been started with full assistance of Japanese International Cooperation Agency (JICA) following the request from Ethiopian government for the transfer of Kaizen technology transfer through National graduate institute for policy studies( GRIPS) by the time when Ethiopia developed the national growth and transformation plan with the desire of improving the managerial capability and capacity to implement the national strategy( GRIPS,2011). The introduction of Kaizen outside Japan through the support from JICA and records of Japan's success in kaizen implementation has encouraged other developing countries and in countries where kaizen has been implemented, one of these case is Ethiopia, significant changes have been registered in terms of producing quality products and improving productivity and has become as the key success factors not only for the success of companies but the countries as well in competing in global markets.

## **1.2 Background of the organization**

Ethiopian tourist trading enterprise is a public owned organization established since 1957. The main purpose of the organization is introducing the country to tourists by distributing brochure, cards and poster showing the tourist sites and historical places etc....then in 1959 the company opened a ware house to provide service for diplomats. This organization has register



remarkable result and has also made commendable and continuous progress in duty free and duty paid merchandising in promoting souvenir and handicraft production. The vision of Ethiopian tourist trading enterprise it's to make the firm the five most competitive and model tourist trading enterprises in Africa. This company has its own kaizen guideline or polices which it follows so as to continuously improve the activities and in return accomplishes the organization objectives. This policy come in to force in 2008, since then the firm is trying to apply this polices and making this philosophy familiar to the workers it helps and make it easier to adopt kaizen practices. The enterprise engaged in trade and production activities in three trade sectors. The first sector is duty free merchandise which it focused on an imported variety of products. The second trade sector is duty paid merchandise which transit locally produced and imported products. The last sector is hand crafts and fine arts products and sales sectors: - produces handicrafts and art work at the production center. Beside this, the center is engage in interior decoration activities.

### **1.3 Statement of the problem**

Kaizen introduced as one of the change tools and that can be applied to any area in need of improvement. Kaizen by now is a widely discussed and applied philosophy, in a variety of industries. Different researchers are reported the benefit of kaizen implementation along both social and technical dimensions of organization and include cost reduction, productivity improvement, reduction in defects, and improvement in employees attitude (Bessant, 2003).

The relationship between management and employees are crucial and the kaizen techniques have a major contribution to the reinforcement of this relationship, since the productivity and profitability of the company is the result of the mixed efforts of both beneficiaries. Kaizen bring together management and workers in a company for better improvement of communication and it's an instrument of the best alternative and inspiration of feeling of membership and belongingness. Such linkage builds confidence on both parties for the enterprise ultimate goal; because it is never ending process (Imai, 1997). However, researches show that because of many reasons company couldn't implement kaizen philosophy properly some of the reasons were the misconception of kaizen philosophy and how to implement it properly. According to a study conducted in Northern Ethiopia's manufacturing industries by Asgedom, Gebresas & Asheber (2014) there finding shows that kaizen help to reduce wastes that affect the company and their conclusion was before launching the kaizen strategy for improvement, firms need to take the time to review their performance and determine their strengths and weaknesses; so that to figure out in what way it should be implemented to have

satisfactory result. And also as Admasu Abera (2015) research indicates that different scholars in the area have been arguing that proper understanding of policy instruments, methods, culture, principles, and application techniques of the kaizen philosophy would be one essential step towards addressing and solving the currently existing problems and challenges. In addition kaizen in countries with different socio-cultural contexts but that application must be conducted under proper leadership and with adjustments that reflect the uniqueness of the targeted society (Ohno I., Ohno, K. and Uesu, S. 2009).

Recent years in Ethiopia kaizen institution established to execute implementation kaizen management instrument. The institution introduces different programs for overall organizations; among this Ethiopian tourist trading enterprise has practiced BSC (balance score card) and BPR (business process reengineering) as a management tools but through this years the management, employees and the organization over all did not bring any substantial change due to organizational readiness and challenge of attitudinal change. Since the company want to achieve more result it embarked upon another management tool which is kaizen. For implementation the researcher selects sales and production department because these two departments covered almost more than half of the company worker. From my observation and observation one of management staff it doesn't satisfy the expected result of improvement that the company is expecting to accomplish.

Regardless of many research conducted upon kaizen there is no empirical research done in this enterprise. The research gap is whether in this enterprise the implementation of kaizen practice brings the desired result or not. Hence, the researcher wants to evaluate by focusing on specifically on how successful kaizen is implemented. In order to bridge the gap the researcher wants to explore and assess how effectively and efficiently kaizen is implemented in the enterprise specifically the sales and production department.

## **1.4 Research question**

The researcher raised the following questions that would be answered in the research.

1. How successfully kaizen is implemented in the company?
2. What is the attitude of the management and employee toward kaizen implementation?
3. What improvement achieved in applying kaizen?

## **1.5 Research objective**

### **1.5.1. General objective**

The general objective of this research is to assess kaizen practice in Ethiopian tourist trading enterprise.

### **1.5.2. Specific objective**

- To examine how kaizen is implemented in the company.
- To assess management and employees attitude toward kaizen practice.
- To assess the improvement of the company when applying kaizen.

## **1.6 Significance of the study**

The research provided information that every organization could use including this enterprise in order to come up with strategies, plans and designs that strategically position them in the highly competitive, diverse, and complex business environment that is experienced at present. This research provides information to many organizations and enterprise management especially to organization residing in Ethiopia on how continuous improvement of change (Kaizen implementation) increase the organization improvement and employee performance. In addition to this the research helps policy maker as a tool or input for their decision making. It also helps the researcher to gain deep knowledge about kaizen philosophy and also used for another researcher as literature.

## **1.7 Scope of the study and limitation**

### **1.7.1 Scope of the study**

The research was geographically delimited to Addis Ababa city on Ethiopian tourist trading enterprise which the main office of the factory is located in Megenagna. The pertinent data focused on sales and production department because these departments cover more than half of the company employees. The collection of the data was focused from where kaizen is implemented up to now (2017 – 2019). In terms of subject wise this research focused on the assessment of kaizen practices.

## 1.7.2. Limitation of the study

Since there is always room for improvement, this research has limitations: -

- Some of the respondents' willingness to provide the information they were required to provide was low because of that they were reluctance.
- Covid-19 pandemic somehow hinder the interview and data collection method.

## 1.8 Conceptual definition

- Kaizen originated from Japanese word "Kanji" mean change (kai) for the good (zen). It's a continuous improvement process involving every one, managers and workers. It focuses on improving a work space of an organization in step by step improving process and eliminating wastes. (Imai,1986)
- Continuous improvement refers to there is no end to make a process better (Suzaki, 1987)Kaizen (Kanji) = KAI + ZE
- Kaizen =change + better (improve)

## 1.9 Operational definition

Kaizen is a continuous improvement of every day process or life; it's a not a dramatic change it's a step by step process.

## 1.10 Organization of the paper

The research report is organized in (5) chapters,

Chapter one: - presented in the current section, it includes background of the study which defines and describes kaizen and highlighted little bit information about the enterprise, statement of the problem it discussed about what the research problem is, the research objective (general and specific) also followed, research question is raised, the significance of the research and the research is delimited geographical, time and conceptual coverage and methodological limitations are discussed. Chapter two: theoretical literature; detail information about kaizen definition, features and other related things discussed briefly. And also empirical literature; others researcher's research is stated and discussed in this section. Chapter three: this section deals with the research methodology, and give clear and precise information about what the

research approach and design is, the total populations of the research were used and the procedure for sampling is discussed. The sources of data collection and the collection method also mention. Chapter four focused on data presentation, analysis and interpretation, and at last chapter five discussed summary, conclusion and recommendation

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Theoretical literature

##### 2.1.1 Definition of kaizen

Kaizen means continuous improvement; “it is a philosophy that assumes our way of life deserves to be constantly improved which involves everybody in the company like management staff, managers and employees and also it include improvement in personal life, home life, social life and the like” (Imai .M, 1986). Kaizen strategy starts with assumption of that is because we are not leaving in Utopian society it recognizes that every corporation has problem, it solve problems by establishing a corporate culture in which everyone can freely admit these problem. Kaizen is a customer driven strategy for improvement for customer; it is assumed that all activities or works should eventually lead to increase of customer satisfaction. Kaizen is an umbrella concept for a large number of Japanese business practices. The Key to Japan's Competitive Success is because of the Japans they focuses on the way people approach work; they adopts with regards of change and socio-cultural factors rather than being stagnant (Imai .M, 1986).

Several researcher regarded kaizen as principle, method or an effort. For example Lillrank and Kano (1989) defined continuous improvement as a series of basic improvements principle ;Nihon HR kyokai (1992) referred that continuous improvement is not only a method improvement but also effort of every one in an organization and it can be applied in any work that needs to be will improved; Williams(2001) paid his attention to the cost of the production process and he believed that continuous is one of the most significant and valuable methods that can reduce the production cost in long run.

Darius (2011) further explained the concept of KAIZEN as a compound word involving two concepts: Kai (change) and Zen (Good, go to better), loosely translated as “change to the better or continuous improvement’. Kaizen is a way of thinking and it extend also in to personal life as a “life philosophy” tomorrow must be better than today.

Kaizen is a top down process, which must begin with a process owner meaning the person who is in charge, have responsibility, authority, power to change the process and at last that person who can be answerable for the consequence of their action. Kaizen can't be strong from the bottom up without support and direction from the top (it can be general manager, president or plant manager), it's a team process, which this team is selected from the range of fundamental disciplining, every is involved (Anthoyc.laraia ,Patricia E.Moody and Robert W.Hall)

In the Toyota production system, the TQM (total quality management )tradition reflects the true meaning of continuous improvement (kaizen),which is to develop people for the better meaning as a result of well improved person so as it will lead as in to better decision makers and better problem solvers, better processes and product (Jon Miller, Mike Wroble wski and Jaime Evillafuerte).

### **2.1.2. History of kaizen**

Kaizen activities have developed and spread in Japan and later to the rest of the world in four phases. The first phase was in the 1950s, the world market perceived Made-in-Japan products to be as low price and low quality. This lead Japan to absorb foreign technique in the early post war period. Driven by a sense of urgency for industrial catch-up, Japan learned American style quality management and adapted this to the Japanese context meaning it adopts the style to the socio cultural way of environment of the country. Many companies developed their own systems of kaizen, including the globally known TPS developed by the Toyota Motor Corporation. These efforts laid a solid foundation for establishing the so-called Japanese production management system. Thus, kaizen was originally a foreign technique which was adopted and adjusted to become a Japanese technique.The second phase was when the two oil crises in the 1970s drove Japanese companies to integrate energy saving into their quality and productivity improvement efforts. Which led diffusion throughout Japanese companies, including small and medium-sized ones.The third phase was the regional spreading of kaizen beginning in the mid-1980s, which coincided with the globalization of Japanese business activities. Japanese firm tried to duplicate the quality management system in their factories abroad. Moreover, as they endeavored to increase local procurement of intermediate inputs, local suppliers were requested to conform to Japan's quality standards. Japanese companies often assisted their local partners to learn kaizen philosophy

and practices. Various public organizations—the Association for Overseas Technical Scholarship (AOTS), established in 1959, the Asian Productivity Organization (APO), established in 1961 as a regional inter-governmental organization, the Japan Overseas Development Corporation (JODC), established in 1970, the Japan International Cooperation Agency (JICA), began their active engagement in kaizen assistance in developing countries. The fourth phase started when the growing interest experienced in East Asia's industrial and also developing regions like Africa. However, outside, interest in and knowledge of the East Asian approach often remains general and insufficient, and has not been operationalized with practical details. This situation, together with the Japanese government initiative for promoting trade and investment in Africa, provides an opportunity for Japan to more actively publicize and introduce kaizen in developing regions including Africa. (I. Ohno, K. Ohno, and S. Uesu ;2009).

Kaizen as a management tool was introduced in Ethiopia in 2009 with Japan International Cooperation Agency (JICA) in response to the request from the government of Ethiopia to Japan government as part of the development cooperation the two countries have had for many years. The government of Ethiopia was keen to implement the Kaizen philosophy to enhance the national development strategy to foster economic growth through improving productivity and efficiency. The Government of Japan through JICA agreed to offer assistance in transferring the Kaizen technology and the Kaizen project was designed with the close support from JICA. As indicated in GRIPS report (2011) cited by Admasu (2015), after the project design phase was completed, the former Ministry of Trade and Industry established kaizen unit with professionals drawn from the ministry and relevant sectorial institutes, and JICA deployed a consultant team to work with the Unit. The kaizen project was officially launched with the first National Kaizen Seminar in the presence of high-level officials from both sides. With the project pilot companies, kaizen is selected as one of management tools to improve and enhance managerial capability to implement Growth and Transformation Plan (GRIPS, 2011).

### **2.1.3. The Objectives of Kaizen**

The benefits of kaizen include increasing number of private enterprises and implement quality and productivity improvement. The success of the kaizen implementation also established to disseminate kaizen to private enterprise in sustainable manner (Ekiand Jica, 2013). Kaizen aims



for improvements in productivity, effectiveness, safety, and waste reduction. Those who follow the approach often find a whole lot more in return: less waste – inventory is used more efficiently as are employee skills; People are more satisfied – they have a direct impact on the way things are done; Improved commitment – team members have more of a stake (a share or interest in business) in their job and are more inclined to commit to doing a good job; Improved retention – satisfied and engaged people are more likely to stay; Improved competitiveness – increases in efficiency tend to contribute to lower costs and higher quality products; Improved consumer satisfaction – coming from higher quality products with fewer faults; Improved problem solving – looking at processes from a solutions perspective allows employees to solve problems continuously; Improved teams – working together to solve problems helps build and strengthen existing teams (ibid).

#### **2.1.4. Kaizen and management**

Kaizen is a system that involves everyone – upper management to the cleaning team. Everyone is encouraged to come up with small improvement suggestions on a regular basis. Kaizen is based on making changes anywhere improvements can be made. Kaizen is an approach that starts with people, focuses its attention on people's efforts, processes are continually improved, improved processes will improve result and at last improved results will satisfy the customers.

In any business an employee work is evaluated based on the existing standard SOP (standard operating procedures) imposed by the manager so that to achieve company objective. If employee is able to follow the standard but do not then management must introduce discipline and take appropriate measures but if employee is unable to follow the standard then management must either provide training or review and revise the standard; so that the worker can follow it and do the their job properly otherwise there will not be any improvement. “Kaizen signifies small improvement made in the status quo as result of ongoing efforts” (Imai 1986). A management were he/she does not know where the company is going has the worse company; these firms only focuses on maintenance, there is no internal drive for kaizen (continuous improvement) or innovation (it's a drastic improvement in status quo), change is forced on management by market conditions and competition

- Role of Top Management

Top management is responsible for establishing Kaizen as the overriding corporate strategy and communicating this commitment to all levels through policy deployment of the organization and allocating the resources necessary for Kaizen to work and build systems procedures, and structure conducive to Kaizen.

➤ **Role of Middle Management**

Responsible for implementing the Kaizen policies established by top management; establishing, maintaining and improving work standards; ensuring employees receive the training necessary to understand and implement Kaizen and employees learn how to use problem solving and improvement.

➤ **Role of Supervisors**

Responsible for applying the Kaizen approach in their functional roles; engage in Kaizen through the suggestion system and small group activities, practice discipline in the workshop, engage in continuous self-development to become better problem solvers, improving communication at the work place; maintaining morale and providing coaching for teamwork activities

### **2.1.5. Kaizen and culture**

Kaizen culture is the exception rather than the norm in the country. Kaizen help more multinational companies adopt the kaizen approach to improve their business processes and develop their people; it is clear that one of the most underappreciated costs of operating a multinational business is the cost of complexity and misunderstanding due to culture differences. Kaizen can create a common language for managing and improving processes, developing people and exposing problem in a way that is independent of the context of local cultures, but this requires understanding the unique differences of local culture. kaizen defined as change for a better or improvement, when we say change it should be in line with the socio-culture environment of the company and we say ‘better’ it should be in line with as a result of better people into better decision makers, better problem solvers and better processes and product.(Jon Miller ,Mike Weoble wski and Jaime Evillafuerte)

### **2.1.6. Pillars of kaizen**

According to M. Imai (1986 ) a guru in these management philosophies and practices, the three pillars of kaizen are summarized as follows:

1. Housekeeping

2. Waste elimination
3. Standardization and as he states, the management and employees must work together to fulfill the requirements for each category.

Many authors in this area give from three to five pillars of kaizen but the most prominent of them all (Massaki Imai 1968) summarized them into three. Each of the three pillars has their own details. The following is explaining each pillar in detail.

### 1. Housekeeping

This is a process of managing the work place, known as “Gemba” (workplace) in Japanese, for improvement purposes. Imai introduced the “Gemba”, which means “real place”, where value is added to the products or services before passing them to next process where they are formed. For proper housekeeping a valuable tool or methodology is used, the 5s methodology. The term “five s” is derived from the letter of Japanese words referred to five practices leading to a clean and manageable work area: seiri (organization), seiton (tidiness), seiso (purity), seiketsu (cleanliness), and shitskue (discipline). The English words equivalent of the 5s’s are sort, straighten, sweep, sanitize, and sustain. 5s evaluations provide measurable insight into the orderliness of a work area and there are checklists for manufacturing and nonmanufacturing areas that cover an array of criteria as i.e. cleanliness, safety, and ergonomics.

#### ➤ Concept of 5`s

1.Seiri (Sort/ Sort Out) :-distinguished between necessary and unnecessary items in gemba and discard the latter. It requires classifying items in gemba in two categories, necessary and unnecessary and discard or removing the latter from gemba or workplace.

2.Seiton (Straighten/ Configure):-arrange all items remaining after Seiri in an orderly manner. Once Seiri has been carried out, all unnecessary items have been removed from the workplace, leaving only the minimum number needed. Its classifying items by use and arranging them according to minimize search time and effort. Each item must have a designated address, name, volume, location and number of items must be specified.

3.Seiso(purity/sweep)means cleaning the working environment, including machines, tools, floors,

walls and other areas of the work place. There is also an axiom ‘Seiso is checking, monitor and restore the condition of working areas during cleaning.’ A person cleaning a machine can find many problems.

4.Seiketsu (Systematize /Conform/cleanliness) :-extend the concept of cleanliness to oneself and continuously practice the above three steps. Keeping one’s person clean , by such means as wearing proper clothes , safety glasses , gloves, shoes, and as well as maintaining a clean , healthy working environment.

5.Shitsuke (Standardize/Custom and Practice/ Self Discipline) :-build self-discipline and make a habit of engaging in 5S’s by establishing standards. Employee must follow established and agreed upon rules in their daily work.

Five S evaluation contributes to how employees feel about product, company, and their selves and today it has become essential for any company, engaged in manufacturing, to practice the 5S’s in order to be recognized as a manufacturer of world class status. Most companies especially companies operating in Ethiopia don’t consider these 5S’s as crucial part of their operation. Its common place to see piled up junk in most production companies. Especially those engaged in metal manufacturing. Kaizen gives high emphasis to those simple things which are by passed by conventional management system.

## 2 .Waste (Muda) Elimination.

Muda in Japanese means waste. The rescors at each process ----people and machines either add value or do not add value and therefore, any non –value adding activity is classified as muda in japan. Work is a series of value –adding activities, from raw materials, ending to a final product. Muda is any non-value added task. Newitt (1996) has stated that the thinking of management and employees will be released if Kaizen philosophy is applied. So that to enhance creativity and value addition can thrive. Also Womack and Jones (1996) refer to Kaizen as a lean thinking and lay out a systematic approach to help organizations systematically to reduce waste. They describe waste as any human activity that absorbs resources but creates or adds no value to the process. Waste elimination is not an idea unique to kaizen but what differentiates it from others is the classification kaizen gives which enables business to establish better waste management and integrate it with their daily operations. Muda can be categorized as follows.

- A. Muda of overproduction. Overproduction may arise from fear of a machine's failure, rejects, and employee absenteeism. Unfortunately, trying to get ahead of production can result in tremendous waste, consumption of raw materials before they are needed, wasteful input of manpower and utilities, additions of machinery, increased burdens in interest, additional space to store excess inventory, and added transportation and administrative costs.
- B. Muda of inventory. Final products, semi-finished products, or part supplies kept in inventory do not add any value. Rather, they add cost of operations by occupying space, requiring additional equipment and facilities such as warehouse, forklifts, and computerized conveyer systems. Also the products deteriorate in quality and may even become obsolete overnight when market changes or competitors introduce a new product or customers change their taste and needs. Warehouses further require additional manpower for operation and administration. Excess items stay in inventory and gather dust (no value added), and their quality deteriorates over time. They are even at risk of damage through fire or disaster. Just-in-time (JIT) production system helps to solve this problem.
- C. Muda of defects (repair or Rejects). Rejects, interrupt production and require rework and a great waste of resources and effort. Rejects will increase inspection work, require additional time to repair, require workers to always stand by to stop the machines, and increase of course paperwork.
- D. Muda of motion. Any motion of a person not directly related to adding value is unproductive. Workers should avoid walking, lifting or carrying heavy objects that require great physical exertion because it is difficult, risky and represents non-value added activities. Rearranging the workplace would eliminate unnecessary human movement and eliminate the requirement of another operator to lift the heavy objects. Analysis of operators' or workers leg and hand motions in performing their work will help companies to understand what needs to be done.
- E. Muda of processing. There are many ways that muda can happen in processing. For example, failure to synchronize processes and bottlenecks create muda and can be eliminated by redesigning the assembly lines so, utilizing less input to produce the same output. Input here refers to resources, utilizes and materials. Output means items such as

products, services, yield, and added value. Reduce the number of people on the line; the fewer line employees the better. Fewer employees will reduce potential mistakes, and thus create fewer quality problems. This does not mean that we need to dismiss our employees there are many ways to use former line employees on kaizen activities. i.e., on value-adding activities. When productivity goes up, costs will go down. In manufacturing, a longer production line requires more workers, more work in process and longer lead time. More workers also mean a higher possibility of making mistakes, which leads to quality problems. More workers and a longer lead-time will also increase cost of operations. Machines that go down interrupt production. Unreliable machinery necessitates batch production. Extra work in process, extra inventory, and extra repair efforts repair efforts. A newly hired employee without proper training to handle the equipment can consequently delay operations, which may be just as costly as if the equipment were down. Eventually, quality will suffer and all these factors can increase operation costs.

- F. Muda of waiting. Muda of waiting occurs when the hands of the operator are idle; when an operator's work is put on hold because of line imbalance, a lack of parts, or machine downtime; or when the operator is simply monitoring a machine as the machine performs a value-adding job. Watching the machine and waiting for parts to arrive, are both muda and waste seconds and minutes. Lead time begins when the company pays for its raw materials and supplies, and ends when the company receives payment from customers for products sold. Thus lead time represents the turnover of money. A shorter lead time means better use of resources, more flexibility in meeting customer needs, and a lower cost of operations. Muda elimination in this area presents a golden opportunity for kaizen.
- G. Muda of transportation. In workplace, gemba, one notices all sorts of transport by such means as trucks, forklifts, and conveyers. Transportation is an essential part of operations, but moving materials or products adds no value. Even worse, damage often occurs during transport. To avoid muda, any process that is physically distant from the main line should be incorporated into the line as much as possible, because eliminating muda costs nothing, muda elimination is one of the easiest ways for company to improve its Gemba's operations.(Thessalnoiki,2006)

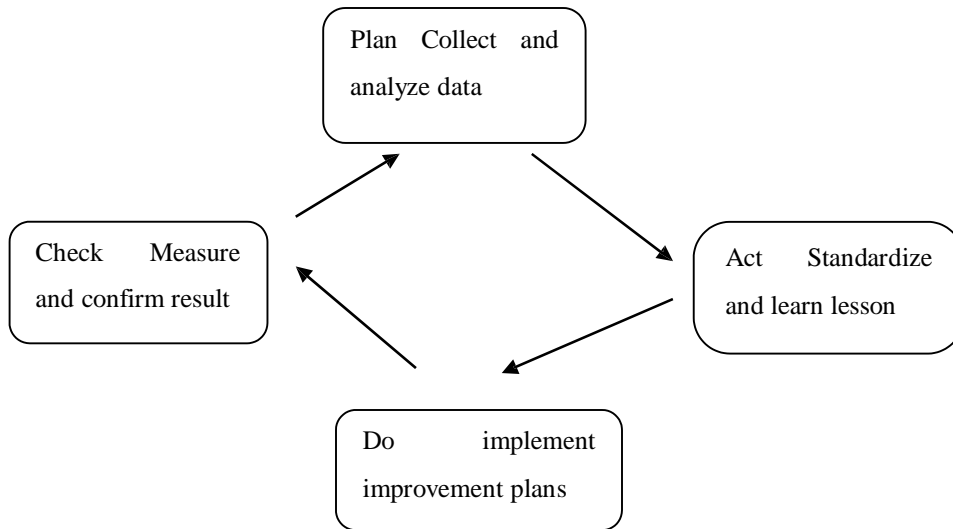
### 3. Standardization

Standards are set by management, but they must be able to change when the environment changes. Organization can achieve dramatic improvement as viewing the standards periodically, collecting and analyzing data on defects, encouraging teams to conduct problem solving activities. Once the standards are in place and are being followed then if there are deviation, the workers know that there is a problem .then the employee when they know there is a problem they will review the standards and either correct the deviation or advice management on changing and improving the standard. It is a never ending process and is better explained and presented by the PDCA cycles which are plan, do, check and act.(Imai 1986).According to Thessaloniki(2006) PDCA is a cycle carried out step by step. The origin of Plan-Do-Check-Act (PDCA) cycle or Deming cycle can be traced back to the Shewart (well-known statistician) thought in the 1920s. He introduced the concept of PDCA. Deming the Total Quality Management (TQM) guru modified the Shewart cycle as: Plan, Do, Study and Act. The Deming cycle is a continuous quality improvement model consisting of a logical sequence of four repetitive steps for Continuous Improvement (CI) and learning. The PDCA cycle is also known as Deming Cycle, the Deming wheel of CI (Watson, 1986)

The first step is plan which refers to establishing a target for improvement and then finding action plan that fit with the target. Since kaizen is a never stopping wheel or a continuous improvement they always have target for improvement in any area. The next step is "Do" it refers to implementing the action plan, it senforcing the plan to the ground .the third step is "Check" it is refers to determining whether the action plan which are implemented remain on track or brought about the expected planned improvement or not. The last step is "Act" it refers to performing and standardizing the new procedures to prevent recurrence of the original problem or to set goal for the new improvement.

## Figure 2.1. The Deming Cycle

Source: Moen and Norman (2009)



### 2.1.7. Components of kaizen

There are a large number of related and often overlapping components (kaizen umbrella) that belong to the kaizen. Some of them are: - 5-Steps (5S) it's a philosophy and checklist for good housekeeping to achieve greater order, efficiency and discipline in the workplace. It is derived from the Japanese words Seiri (Sort), Seiton (Straighten), Seiso (Shine), Seiketsu (Systematize), and Shitsuke (Standardize/Self-Discipline). The second is suggestion System its method by which the ideas and suggestions of employees are communicated upwards through the management hierarchy to achieve cost savings or improve product quality, workplace efficiency, customer service, or working conditions. The third is quality Control it's a small group of workers who collectively find a problem. The fourth is circle (QCC) or Quality Circle (QC) it discuss alternative remedies, and propose a solution. QCC voluntarily perform improvement activities within the workplace, a part of a company-wide program of mutual education, quality control, self-development and productivity improvement. The fifth is Total Quality Control (TQC) it's an organized activity involving everyone (from managers to workers) in a totally integrated effort towards kaizen at every level. It is equivalent to Company-Wide Quality Control (CWQC). The other is Total Quality Management(TQM) which it represents a number of management practices



philosophies and methods to improve the way an organization does business, makes its products, and interacts

with its employees and customers .QCC activities function as an integral part of TQM. TQM evolved from TQC in the late 1980s.The next is Toyota Production System (TPS) TPS it’s a philosophy which organizes manufacturing and logistics at Toyota, including interaction with suppliers and customers. It focuses on the elimination of waste and defects at all points of production including inputs, process and final output (delivery). The term “Lean Production System” can be used interchangeably. The next is Just-In-Time (JIT) System it’s a part of Toyota Production System (TPS) it’s a production system aimed at eliminating non-value-adding activities of all kinds and achieving a lean production system flexible enough to accommodate fluctuations in customer orders. The last is Kanban system which refers to a communication tool in the JIT production and inventory control system, developed at Toyota. A kanban (signboard)is attached to a given number of parts and products in the production line, instructing the delivery of a given quantity. When the parts have all been used, the kanban is returned to its origin where it becomes an order to produce more (Imai 1986).

### 2.1.8. Kaizen and TQM versus BPR

An integral part of a total quality approach is the Japanese concept of Kaizen, Business process Re-Engineering (BPR) and Total Quality Management (TQM) both are organizational performances and effectiveness it has also a debate between the two. Some commentators appear to suggest that TQM has been taken over by BPR although others argue that it can be seen as complementary to and/or a forerunner for BPR (Mullins, 2010)

Table 2.1. Kaizen versus BPR

FEATURE	KAIZEN/TQM	BPR
Management, culture and innovation the Applicability globally	It’s Focused on demands timeliness (JIT).Kaizen are consistent to innovation all workers, skill, motivation, and kaizen is applicable across different Cultural settings.	BPR is focused on expensive technology or Innovation hence has almost nothing to do with cultural differences. The management system of applying innovation is

	<p>This is so because the most important defining factors for Kaizen are workers' skills, motivation, and top management commitment .Kaizen helps enterprise become several times as competitive as they are now</p>	<p>concerned only on top management than workers</p>
<p>Appropriate development and learning environment</p>	<p>Suitable for developing countries whose MSEs perform along traditional lines and works well for slow-growth it is costly match. It support lifelong learning adaptability flexibility the organizational response also paradigm shift. Focused on lifelong employment</p>	<p>BPR is better suited for developed nation, fast changing. Economies that can invest in new technologies and innovations. Since it is time bounded no longer emphasis for learning but it assign the worker after full implementation Right person at the right place</p>
<p>Pace of change</p>	<p>Incremental gain may often take a number of years to complete. Focused on minor, slows and incremental improvement</p>	<p>Re-engineering as opposed and no-room for incremental change. It is abrupt once and for all large step. Radical design of business process to achieve breakthrough results</p>
<p>measurement and Stability</p>	<p>It is easy to assess the overall success or failure of the enterprise. Changes are Highly stable, predictable and keep going over time sustain the business</p>	<p>Difficult to measure and the overall success of the enterprise Changes are spontaneous and less predictable, failed change program</p>

Investment orientation	Kaizen directly works on workers and managers and makes them several times as competent as they are no	BPR focuses customer satisfaction alone such as cost, quality, service and speed.
Bureaucratic system business system	It is fully decentralized (bottom up) management system non-judgmental, non-blaming .both friendly for customers and employees ,supports Collectivism business environment like Toyota car	Centralized It is exposed to Downsize and stand for restructuring layoffs happens during implementation it is exposed to personal attack and revenge, it is the supports individualism business environment
Cost	Without or less costly i.e. with current resources Kaizen can be implemented even start with zero initial	Fundamental rethinking and radical design of business process to achieve dramatic improvements. Requires huge investment Outlays.
Everyday application	It focused on prevention not cure. Kaizen is practiced every time. This continuous application nature of Kaizen helps solve whenever flaws arise in the process	It focused on cure not prevention. BPR can't be used on every day basis. Hence, it Can't be used whenever flaws are detected in the process

Source: Faculty of Financial Accounting Management Craiova (Amended by the researcher 2010/2014)

It can be concluding that the main differences between Kaizen and BPR as follows. MacDonald and Dale (1999) indicated firstly, large step changes (BPR) are riskier, more complex and more expensive than continuous improvement (Kaizen). This implies that Kaizen may be preferable for developing countries for certainty, cost and simplicity reasons. Secondly, BPR places more emphasis on equipment and technology rather than people; Kaizen is the opposite. Given that developing countries are relatively technology scarce and labor abundant though workers in developing countries may not be highly skilled, their comparative advantage appears to lie in implementing Kaizen. Thirdly, re-engineering tends to concentrate on one process at a time using a project planning methodology, whereas Kaizen takes a more holistic view of the organization, building improvement in to all aspects of business operation.

As observed in the above table Kaizen may preferable for developing countries for certainty, cost and simplicity reasons. BPR places more emphasis on equipment and technology rather than people; Kaizen is the opposite one.

### **2.1.9. Principles and tools**

The two key features of kaizen are incremental and continuous improvement and involvement of the entire workforce in that process. Every workforce in the company including the workers need to participate in producing small but frequent changes by making suggestions for improvement in both process and product. The method or the way how to conduct kaizen changes in different circumstance. According to Masaaki Imai the Key to Japan's Competitive Success, kaizen is an umbrella concept for a large number of Japanese business practices. It could even be argued that, like Zen Buddhism (it is a way of life) it is not just a management technique but a philosophy which instructs how a human should conduct his or her life. Kaizen focuses on the way people approach work. It shows how management and workers can change their mindset together to improve their productivity. While there are many strategies for management success, kaizen is different since it helps focus in a very basic way on how people conduct their work (Imai, 1997)..

#### **❖ Five main principles of kaizen**

According to McAdam et al. (2000) kaizen uses 5 main principles. Kaizen creates a culture that allows employee creativity and ideas to show, the result is the firms will be able to react quickly to change and to be better or differently across major company functions. Cheser (1998) claims

that “kaizen has resulted in dramatic gains in productivity, improved jobs and increased motivation.” However, the employees must receive adequate training and support to ensure the successful of the kaizen activities (Marks berry et al., 2010).

#### 1. Processes must involve by gradual improvement rather than radical changes

In practice, Kaizen can be implemented by improving every aspect of a process in a step by step approach, while gradually developing employee skills through training education and increased involvement resulting in quality improvement. With quality improvement, employees meet together to discuss the current operations of the company. They decide what things can be changed that will improve the quality of the company and of the products.

#### 2. Human resources are the most important

Kaizen must be practiced in cycle with "Respect for People" not resulting in outcomes such as layoffs. Kaizen has become successful with many manufacturing companies because the employees are involved and they perform in team woked. They feel that their opinion is important and this increases the employee morale. Keeping the employees happy will cause them to be more productive and satisfied with their jobs.

#### 3. Teamwork

One of the biggest principles of the kaizen approach is the ability to work in teams. Each department is considered a team and they will be responsible for making small changes that impact the organization. All employees from top manager to front line workers should share common values, change objectives, and information. And, should fulfill their respective role properly, enhancing their capabilities through exercising self-government and creativity. The teams will then report to their manager. The manager takes this information to management and the entire process of kaizen is evaluated.

#### 4. Discipline

In order for kaizen to be effective, discipline is necessary. Management as well as workers needs to believe in the Kaizen idea and strive toward obtaining the small goals in order to reach overall success. A strong commitment to discipline and to the kaizen method will prove success for a company.

#### 5. Continuous improvement

Improvement must be based on statistical or quantitative evaluation of process performance. The small improvements will lead to bigger improvements throughout the entire company. This is why

kaizen is called a "continuous process improvement" system or a "continual improvement method." Even with the changes, there are still small things employees can do to change the way they work. There are simple things you can do to help your employees work faster and become more efficient .All employees should have firm belief that the work place must nurture a desire for continuous improvement Kaizen demands product or service quality is improved and is monitored on a continuous basis.

### **2.1.10. The Concept of Levels of Kaizen**

Imai (1986) described three levels and or pillars of KAIZEN: as

- 1. Management-Oriented Kaizen
- 2. Group- Oriented Kaizen and
- 3. Individual -Oriented Kaizen

### **2.1.11 Management Oriented Kaizen**

Management oriented Kaizen concentrates on the most important logistic and strategic issues and provides the momentum to keep up progress and moral. Since Kaizen is everybody's job, Japanese managers generally believes that a manager should spent at least 50 percent of his time on improvement Innovation Maintenance Kaizen.

### **2.1.12 Group Oriented Kaizen**

Kaizen in group work, as a permanent approach is represented by Quality Control (QC) circles and other small group activities to solve problems. The approach also calls for the full Plan-Do-Check–Act (PDCA) cycle and demands team members not only identifying problems areas but also identify the causes , analyze them, implement and test new countermeasures , and establish new standards and procedures. The group oriented Kaizen enhances group moral and allows everybody to master the art of solving immediate problem from their own workshop.

### **2.1.13. Individual Oriented Kaizen**

Individual oriented kaizen is manifested in the form of suggestions. The suggestion system is a vehicle for caring out individual oriented Kaizen. It is often regarded as a morale booster and it does not always ask for immediate payback on each suggestion. Management attention and

responsiveness are crucial if workers are to become “thinking workers” looking for improved ways to do their job continually.

### **2.1.14 Is kaizen result oriented or process oriented?**

Kaizen has generated a process oriented way of thinking and management system that supports and acknowledges people's process oriented efforts for improvement. Kaizen is people oriented which they are directed toward people efforts. This construct with the result oriented way of thinking of most people in western managers. In United State, generally speaking no matter how hard a person works lack of result will lead to poor personal rating and it lower income or status. Individual contribution is valued only for concrete result, only results round in a result oriented society. According to Bridgestone Tire co's Otsubohe maintains that it is process oriented thinking that has enables Japanese industries to attain its competitive edge in world market. The kaizen concept epitomizes japons process oriented thinking. Hammer et al. (1993) also describes that “Kaizen creates process-oriented thinking”. Hence processes to be improved before superior results are obtained. Such management attitudes make a major difference in how an organization achieves changes. Top management that process oriented thinking runs the risk of lacking long term strategy, missing new ideas and innovation instructing people ad nauseam in minute work process and losing sight of the forest trees. The result oriented managers is more flexible in setting target and it can think in strategic terms. However, he tends to slight the mobilization and realignment of his resource for strategy's implementation (Imai 1986).

### **2.1.15. Implementation of kaizen**

Kaizen is a solid planned instrument which is used to achieve the outcome of the company's objective. The 5S techniques are fundamental techniques which allow the increase of efficiency and productivity while ensuring a pleasant organizational climate. Kaizen is journey it is not end in a time to eliminate waste, improve productivity, improve quality and efficient utilization of resource. If it done correctly kaizen also helps to improve work place, eliminate hard work and teach people how to perform best of their capability and reduce waste of manufacturing process. Kaizen is not a once a day, a once a month or a once a year activity. Its implementation requires an ongoing effort to improve all aspects of organization in the light of their efficiency, effectiveness and flexibility. Improvements are based on many, small changes rather than the

radical changes that might arise from Research and Development (Imai, 1986). W. Edwards Deming, a pioneer of the field, popularized a tool called the plan-do-check-act (PDCA) cycle, also known as Deming Cycle for continuous improvement. Plan: involves analyzing the current situation, identifying an opportunity and planning for change. Do: Implement the change on a small scale. Check: Use data to analyse the results of the change and determine whether it made a difference. Act: If the change was successful, implement it on a wider scale and continuously assess your results. If the change did not work, begin the cycle again.

There are two ways to approach kaizen. Ultimately improvement is being designed and implemented by everyone, every day, everywhere in an organization. This transformation requires both leadership development and a disciplined problem-solving and improvement process. Kaizen events, highly structured improvement activities that are an effective shaping tool, are a second way to shift culture and begin reaping the significant benefits from achieving both high levels of employee engagement and rapid results. Imai introduced the definition of kaizen in management study in 1986; a lot of studies have been done about the implementation of kaizen within scope of organization in different industries and country. In order to successfully apply the method in the practical field, organization should not only systematically apply the methods of kaizen in right way, but also need to develop suitable and effective kaizen methods that could well fit their specific needs conditions and cultural activities.

The fit between kaizen culture and the organizational culture of the practices;

- Changes in the mindset of colleges workers so they will adopt to the kaizen work ethics;
- Workers training and discipline so that to follow standard operating procedures;
- The existence of workers attitude or mental acceptance and the involvement of workers in decision-making to cooperatively identify problems, generate solutions, implement them and then follow up to evaluate quality and productivity.

Implementation of kaizen in manufacturing companies needs to be fully committed to boosting the morale of their workers to develop members' capabilities, to achieve self-actualization, and to work cooperatively. These commitments are vital to the process for improving the quality of the training output. Additionally, Asayehgn (2011) stated that in the journal of "the Transferability of the Japanese Kaizen Management Techniques" the transferability of the ideas of kaizen management techniques without contextual understanding of our organization is very difficult.



## **2.2. Empirical research**

This section attempts to review previous studies of various scholars, researchers and practitioners, which have been carried out in the area of assessment of kaizen.

### **2.2.1 Studies from Other countries**

Manjunath Shettar (2015) conducted a research in an automotive parts manufacturing industry which kaizen are implemented in hydraulic actuator assembly line. It stated that kaizen implies change. It implies little changes done over a drawn given time. It subscribes kaizen standards as working environment, then it noticeable upgrades immediately, and extraordinary enhancements in the long term. The journal stated that it is complex in applying the standard of kaizen. Arrangements emphasize practical, ease approaches, constant modification and change gets to be conceivable and further attractive. The Kaizen methodology give unified consideration regarding both process and result. Kaizen gives the ideal information for future execution of any thought.

According to Fariba R. and Ziba R.(2013) the journal article intended to explain Kaizen and innovation along with disclosure of nature of performance and its role. It stated kaizen results in decrease of the breakeven point and forces the management to pay more attention to customers' needs and creates a system to consider customers' demands.

Ulrica von Thiele Schwarz et al (2016) conducted a research on establishes the importance of considering the use of specific tools, in this case kaizen, for implementing organizational interventions. We combined a realist evaluation with multi group structural equation modeling and were thereby able to answer the question of what works for whom in which circumstances. We can conclude that when interventions occur in a context where employees use kaizen, and when kaizen boards are explicitly used to manage psychosocial work environment issues, there are positive intervention outcomes in the form of employee well-being. Thus, kaizen can either be a precondition for improvement in the integration of organizational and employee objectives or a mechanism that allows the implementation of action plans. In either case, kaizen has the potential to be a participatory tool that enables employees to interact and engage in psychosocial risk management and/or integration of organizational and employee objectives in a way that improves

their well-being. Ohno I., Ohno,K. and Uesu.S (2009) conducted an article which is done in Africa it discuss about how leadership is the single most important factor. It stated the concept and tools of kaizen have been adopted not only in Japanese firms but also in many multinational corporations in the US and Europe. It stated in both Japan and abroad leadership is the single most important factor for successful implementation of kaizen. This implies that it is possible to apply kaizen in countries with different socio-cultural contexts but that application must be conducted under proper leadership and with adjustments that reflect the uniqueness of the targeted society. This article concluded that it's not just the way of applying kaizen philosophy but also it concerns about leadership of a company and its socio-cultural contexts.

### **2.2.2 Studies in Ethiopia**

Azeb Getachew (2014) conducted a research on factors that affect the applicability of kaizen philosophy in a leather and London shoe maker plc. in Addis Ababa, Ethiopia. The researcher stated kaizen is all about making things better in the long run, and improving profits and processes. It is a strategy that needs to be implemented now but for the benefits in the future. The fundamental changes in the mindset of all employees and how they cope with the daily maintenance of Kaizen, is far more important in order to increase their willingness and participation.

Eden Mekonnen (2017) conduct a research on assessment of kaizen implementation practices and challenges in the case of Tikur Abbay shoe Share Company in Addis Ababa, Ethiopia. The researcher stated kaizen bring continuous changes in organizational structure, in eliminating long bureaucratic chains, in time consumption and in reduction of unnecessary work flow process, proper documentation and bring about effective and efficient delivery services to partners. Also it is stated that employer and employee attitude and misconception about kaizen is still huge problem for kaizen to be implemented properly.

Asayehgn Desta et al.int(2014)conducted a research on the analysis of kaizen implementation in Northern Ethiopia's manufacturing industries they chosen three pilot companies (Mesfin Industrial Engineering, the Almeda Textile Factory, and the Sheba Leather Industry) in Northern Ethiopia that emphasized on the kaizen management strategy were analyzed using the SWOT analysis to understand their strengths and weaknesses, uncover opportunities open to them, and eliminate threats that they were facing. Then, their implementation of the kaizen strategy was assessed to see if the management and workers were passionately committed to undertaking the kaizen

management philosophy. The companies were scrutinized to follow step-by-step the kaizen process-oriented methodologies. It was concluded that some of the executive managers of the three pilot companies were themselves were not committed to the kaizen team work process because they didn't usually participate nor did they allow the shop floor workers or operators to participate in team group work. This might be because the internal and external training given to the employees was designed for very short periods of time and some of the managers and employees of the pilot companies were not yet fully committed to the kaizen management philosophy. Despite these weaknesses, however, it can be appreciated that though only partially committed to the kaizen management philosophy, the three pilot companies have marginally reduced the costs of production, improved quality, reduced lead time, improved customer's satisfaction and have tailored themselves to achieving action plans for the three kaizen steps (out of 5S), those of housecleaning strategies: sorting, setting, and shining but have yet to standardize and ultimately clean their inputs. Thus the policy option that could emerge from this study is that before launching the kaizen strategy for improvement, firms need to take the time to review their performance and determine their strengths and weaknesses.

Admasu Abera (2015) his study is about kaizen Implementation in Ethiopia. It concluded that there has been limited empirical research in implementation of kaizen in Ethiopia to verify the degree of outcomes achieved through kaizen. In particular, researches on kaizen implementation in service industry appear to be rare. Thus, kaizen is a widely accepted philosophy in industries more research work is required in this field. The author also feels that from the different technique kaizen, more emphasis should be given to the influence of training in the kaizen implementation. So a great scope of research is available for researchers in this field particularly in Ethiopia.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1. Introduction**

When we say research design and methodology, it means that the strategic decision applied in designing and conducting the research. This chapter discusses the research methodology which is used for the process of data collection, analyses and presentation. It includes the research design research approach, population, data collection method and data analysis.

#### **3.2. Research design**

Research design is defined as the plan and structure of investigation so conceived as to obtain answers to research questions. It's the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis (Creswell, 2014). This research used descriptive design. Descriptive research attempts to define or describe a subject often by creating a profile of a group of problems, peoples or events through the collection of data. Descriptive design helps to describe the actual situation and it reveals who, what, where, when and how much of the phenomena (Kothari, 2004). So because this research focuses on assessment researcher used descriptive design for the research design.

#### **3.3. Research approach**

The research approach refers to the research problem or issue being addressed and the procedures the researcher acquired and employs in the study. There are three type of research which are: - Quantitative research it's a means for testing objective theories by examining the relationship among variables. The second is qualitative research approach is a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem with intent of developing a theory or pattern inductively (Creswell, 2014). Finally, mixed methods approach is an approach in which the researchers emphasize the research problem and use all approaches available to understand the problem. Mixed research approach was used which is both qualitative and quantitative research approach. Mixed research approach involves collecting, analyzing and

interpreting quantitative and qualitative data in a single study. The researcher used mixed approach for better outcome and understanding.

### **3.4. Target Population**

The target population of this study was consists of Ethiopian tourist trading enterprise. The company have 241 employees from this 150 of them are sales and production departments which is called censes; Census method is the method of statistical enumeration where all members of the population are studied (Creswell, 2014) . The researcher chooses sales and production departments because almost all the work in the company depends up on in these departments and also more than half of the workers in this enterprise are in these departments. The researcher used all the target population of the two departments for this research which is 150 population; so that to have accurate result.

### **3.5. Source of data and collection method**

For this research, data was obtained from both primary and secondary source of data. The primary data are those which are collected for the first time. The secondary data, on the other hand, are those which have been collected by someone else for the purpose of different reasons (Kothari, 2004). The primary data obtained from the respondents through distribution of questionnaire and semi-structured interview. The secondary data obtained from books, journals and articles, previous researches and company brochures and manual. The primary data collected the actual fact of the practice of kaizen in Ethiopian tourist trading enterprise. The secondary data, on the other hand, it gave detailed and empirical literature about kaizen.

### **3.6. Methods of Data Analysis**

To analyze the data descriptive statistics and content analysis was used. Data gathered through questionnaire were processed by using SPSS version 20 and interpreted through descriptive statistics (such as frequency table and mean). SPSS is a widely used program for statistical analysis in social science. Using SPSS make the presentation easy and precise. And the data gathered from key informants through semi-structured interview analyzed using content analysis.

### 3.7. Ethical consideration

Before the research was conducted on the selected organization, the researcher informed the participants of the research about the objectives of the study. And it consider ethical issues in seeking consent, avoiding deception, maintaining confidentiality, respecting the privacy, and protecting the anonymity of all respondents.

### 3.8. Reliability and validity test

#### 3.8.1 Reliability test

Table 3.1: Reliability of the instrument (Cronbach's Alpha)

Scale	Number of items	N	Cronbach
Implementation of kaizen	8	30	.707
Attitude toward kaizen	12	30	.708
Improvement	15	30	.883

Source: researcher's own compilation of Survey data 2020.

The above table shows all the scales that are used to measure the dimensions in this study were tested for reliability prior to their use in the main research analysis. Cronbach's alpha coefficient is applied in this regard. The Cronbach alpha values range from 0 to 1 with values above 0.7 generally considered a good indicator of an internally consistent (reliable) scale. The results presented in Table 3.1 above indicate that the average Cronbach's alpha value is .766.

#### 3.8.2 Validity test

Primarily, the data collection tool was developed in alignment with the facts in the literature compiled to address the basic research questions. The validity of the instrument was then checked by professionals and advisor, whether it measures what it is planned to measure. The comments of the professionals were well taken and incorporated in the data collection instrument .Accordingly ,based on the approval obtained from the professionals and advisor ,the questioner was considered as valid data collection tool and used to collected the data required for the study.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND DISCUSSION

#### 4.1 Introduction

This chapter deals with the presentation, analysis and interpretation of the data collected through questionnaire and semi-structured interview in order to get the relevant information about the practice of kaizen implementation Ethiopian tourist trading enterprise. It consists of two parts. The first part presents personal information of the population and part two deals with the presentation and analysis of the study.

#### 4.2 Demographic profile of the respondents

Table 4.1 Gender of respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative
Valid	Male	73	48.7	48.7	48.7
	Female	77	51.3	51.3	100.0
	Total	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.1 shows that the gender distribution of the research. The respondents 48.7% were male and 51.3% of the respondents were females. This shows that female respondents is greater than the male in Ethiopian tourist enterprise specifically in the sales and production department.

Table 4.2 Age of respondents

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 years old	33	22.0	22.0	22.0
	31-40 years old	62	41.3	41.3	63.3
	41-50 years old	46	30.7	30.7	94.0
	51-60 years old	9	6.0	6.0	100.0
	Total	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.2 shows that the age of the respondents in the Ethiopian tourist enterprise. From the participants 22 % were under 30 years old, 41.3 % were between age of 31 and 40 years, 30.7 % were between age of 41 and 50, 6% were between age of 51 and 60 age.

Table 4.3 Educational background of respondents

Educational Background					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	27	18.0	18.0	18.0
	Diploma	71	47.3	47.3	65.3
	1st Degree	51	34.0	34.0	99.3
	above degree	1	.7	.7	100.0
	Total	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.3 shows the academic performance which are 18% of them were certificate, 47.3% were diploma holder, 34 % were degree graduates, and 0.7 % were master's holders. Diploma holders of the respondents are more participant in the Ethiopian tourist specifically in the sales and production.



Table 4.4 Work experience

Work experience					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2 year	6	4.0	4.0	4.0
	2-5 year	44	29.3	29.3	33.3
	6-10 year	54	36.0	36.0	69.3
	more than 10 year	43	28.7	28.7	98.0
	Total	150	100.00	100.00	

Source: from SPSS computed survey data, 2020

The above table 4.4 shows that year of the work experience of the respondent. Hence, 4% were employees working less than 2 years, 29.3 % were employees working 2-5 year, 36 % were 6-10 years' experience and 28.7 were more than 10 years of experience. From this the result shows that 36 % of employees working in the Ethiopian tourist trading enterprise in sales and production have 6-10 work experience.

### 4.3 Analysis of Kaizen implementation

Table 4.5 Managements were created awareness about kaizen from the start?

	Valid					
	SD	D	N	A	SA	Total
Frequency	37	52	37	20	4	150
Percent	24.7	34.7	24.7	13.3	2.7	100.0
Valid Percent	24.7	34.7	24.7	13.3	2.7	100.0

Source: from SPSS computed survey data, 2020

The above table 4.5 show that more than half (59.4%) of the participants responded negatively (strongly disagree or disagree) toward the question they were asked,24.7% of the participant responded neutral and only 16% the employees replied positively (agree or strongly agree). The result indicated that more than half of the participants think management didn't give awareness about kaizen from the start.

Table 4.6 .I have been involved in kaizen interaction and implementation?

V2Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	28	60	34	22	6	150
Percent	18.7	40.0	22.7	14.7	4.0	100.0
Valid Percent	18.7	40.0	22.7	14.7	4.0	100.0
Cumulative Percent	18.7	58.7	81.3	96.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.6 show that 58.7 % of the participants answer the question “I have been involve in kaizen interaction and implementation?” negatively (strong disagree and disagree), 18.7 % of the respondent said they were involved in implementation of kaizen (positively) and 22.7% of the respondents reply they neither participated nor they were involved in the implementation and interaction of kaizen meaning they were not involved all way through the implementation process. The result indicate more than half of the respondent doesn't thing they were involved in the implementation of kaizen in the Ethiopian tourist enterprise.

Table 4.7 Adequate training provided before kaizen implementation?

V4Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	24	46	55	18	7	150
Percent	16.0	30.7	36.7	12.0	4.7	100.0
Valid Percent	16.0	30.7	36.7	12.0	4.7	100.0
Cumulative Percent	16.0	46.7	83.3	95.3	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.7 show that 46.7% of the participant answer the question “Adequate training provided before kaizen implementation ?” negatively meaning he worker in the Ethiopian tourist trading enterprise specifically in sales and production department almost half of the worker didn’t get adequate training regarding kaizen when it was implemented , 36% of the participant answer neutral meaning they participated partially .And also 16.7% of respondent answer the question positively (agree or strongly agree) which indicate adequate training was provided before kaize implementation.

Table 4.8 Resources required for kaizen implementation is adequately fulfilled?

V4Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	17	37	44	32	20	150
Percent	11.3	24.7	29.3	21.3	13.3	100.0
Valid Percent	11.3	24.7	29.3	21.3	13.3	100.0
Cumulative Percent	11.3	36.0	65.3	86.7	100.0	

Source: from SPSS computed survey data, 2020

Above table 4.8 shows that 36% of the respondent answer the question “Resources required for kaizen implementation is adequately fulfilled?” negatively which is almost equivalent to participant which responded positively(34.6%) which mean the respondents believe resource required for kaizen implementation are adequately fulfilled but the rest 29.3 % are neutral they believe nothing has change.

Table 4.9 Kaizen events are regularly held?

V5Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	8	33	67	26	16	150
Percent	5.3	22.0	44.7	17.3	10.7	100.0
Valid Percent	5.3	22.0	44.7	17.3	10.7	100.0
Cumulative Percent	5.3	27.3	72.0	89.3	100.0	

Source: from SPSS computed survey data, 2020

Above table 4.9 show that 27.3% of the participants answer the above question negatively, equivalently the 28 % of the participant answer positively which mean kaizen event are regularly held in the sales and production department of Ethiopian tourist enterprise but the highest percent of participant responded neutral (44.7%).

Table 4.10 Kaizen implemented in groups than individual level?

V6Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	46	48	32	19	5	150
Percent	30.7	32.0	21.3	12.7	3.3	100.0
Valid Percent	30.7	32.0	21.3	12.7	3.3	100.0
Cumulative Percent	30.7	62.7	84.0	96.7	100.0	

Source: from SPSS computed survey data, 2020

Above table 4.10 show 21.3% of the participant responded neutrally and 16% of the participant answer the question positively and more than half of the participant (62.7%) responded to the question “Kaizen implemented in group than individual level?” negatively (strongly disagree and agree) which indicate kaizen is not implemented in group than individual level in Ethiopian tourist trading enterprise specifically in the sales and production department.

Table 4.11 Management design policy and strategy to follow up implementation?

V7Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	23	25	49	33	20	150
Percent	15.3	16.7	32.7	22.0	13.3	100.0
Valid Percent	15.3	16.7	32.7	22.0	13.3	100.0
Cumulative Percent	15.3	32.0	64.7	86.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.11 shows that 32% of the participants answer the question “Management design policy and strategy to follow up implementation of kaizen?” negatively (disagree or strongly disagree) ,32.7% of the participant responded neutrally and 35.3 % of the participant responded positively.

Table 4.12 Recurrent training intensively provided for sustainability of kaizen?

V8Implementation						
	Valid					
	SD	D	N	A	SA	Total
Frequency	8	22	52	43	25	150
Percent	5.3	14.7	34.7	28.7	16.7	100.0
Valid Percent	5.3	14.7	34.7	28.7	16.7	100.0
Cumulative Percent	5.3	20.0	54.7	83.3	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.12 shows that 20% of the respondents answer the question “Recurrent training intensively provided for sustainability of kaizen?” negatively, 34.7% of the participant responded neutrally and 45.4 % of the respondents answer positively which show recurrent training is

provided for sustainability of kaizen the Ethiopian tourist enterprise specifically in sales and production department.

#### 4.4 Statistical result of implementation

Table 4.13 Statistics result on implementation

	V1	V2	V3	V4	V5	V6	V7	V8
Valid	150	150	150	150	150	150	150	150
Missing	0	0	0	0	0	0	0	0
Mean	2.35	2.45	2.59	3.01	3.06	2.26	3.01	3.37
Std.deviation	1.074	1.078	1.044	1.207	1.018	1.126	1.242	1.089
Sum	352	368	388	451	459	339	452	505
Percentes	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Source: from SPSS computed survey data, 2020

The above table 4.13 shows that the mean value of the response is three and less than three point which indicates most of the participant responded negative(disagree or strongly disagree) which shows the absence of proper kaizen implementation. When we look in to the table there is no missing value which indicates there is no question that wasn't answered and the standard deviation is around one which shows that almost the whole participant answer is more alike the same.

## 4.5 Analysis attitude toward kaizen

Table 4.14 Kaizen is implemented in my area of worktable

V1Attitude							
	Valid						
	0	SD	D	N	A	SA	Total
Frequency	1	16	20	24	47	42	150
Percent	.7	10.7	13.3	16.0	31.3	28.0	100.0
Valid Percent	.7	10.7	13.3	16.0	31.3	28.0	100.0
Cumulative Percent	.7	11.3	24.7	40.7	72.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.14 shows that 24% of the respondent answer the question “Kaizen is implemented in my area of work?” responded negatively , 59.3% of the respondent answered positively it indicates kaizen is implemented in their area of work and 16% of the participant responded neutrally meaning they only partially think it is implemented in the area of their work.

Table 4.15 I understand kaizen is important in my area of work?

V2Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	29	19	31	38	32	149
Percent	19.3	12.7	20.7	25.3	21.3	99.3
Valid Percent	19.5	12.8	20.8	25.5	21.5	100.0
Cumulative Percent	19.5	32.2	53.0	78.5	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.15 shows that 32% of the respondent attitude answers the question” I understand kaizen is important in my area of work?” negatively (strongly disagree or disagree) ,46.6% of the respondent believe and answer the question positively (agree or strong agree) that kaizen is

important in their area of work and 20% of the participant answer the question neutrally. This shows almost half of the employee in the sales and production department has the attitude of the important of kaizen in the area they are working.

Table 4.16 Management is committed for kaizen?

V3Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	28	38	34	36	14	150
Percent	18.7	25.3	22.7	24.0	9.3	100.0
Valid Percent	18.7	25.3	22.7	24.0	9.3	100.0
Cumulative Percent	18.7	44.0	66.7	90.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.16 show that the attitude of the respondent toward the question “Management is committed for kaizen?” is 44% which is negative (strongly disagree or disagree), 33.3% responded positively they believe managements are committed toward applying kaizen and 22.7% responded neutrally. This means the highest present of participant have attitude that management are not committed toward kaizen.

Table 4.17 My immediate supervisor encourage me to suggest ways to improve my work?

V4Attitude							
	Valid						
	0	SD	D	N	A	SA	Total
Frequency	3	31	23	41	29	23	150
Percent	2.0	20.7	15.3	27.3	19.3	15.3	100.0
Valid Percent	2.0	20.7	15.3	27.3	19.3	15.3	100.0
Cumulative Percent	2.0	22.7	38.0	65.3	84.7	100.0	



The above table 4.17 show that 22.7% of the respondent answer the question “My immediate supervisor encourage me to suggest ways to improve my work?” negatively (strong disagree or disagree) which implies they don’t think their immediate supervisor encourage them to participate, 34.6% of respondent answer the question positively (agree or strongly agree) and 27.3 % responded neutrally.

Table 4.18 Kaizen committee provides support regularly?

V5Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	22	32	41	34	21	150
Percent	14.7	21.3	27.3	22.7	14.0	100.0
Valid Percent	14.7	21.3	27.3	22.7	14.0	100.0
Cumulative Percent	14.7	36.0	63.3	86.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.18 show that 36% of the respondent answer the question “Kaizen committee provide support regularly?” negatively (strong disagree or disagree), 36.7 % of the participant responded positively (agree or strongly agree) and 27.3% responded neutrally. It shows the positive attitude and the negative attitude toward the support of kaizen committee giving support regularly toward the workers in the sales and production department is approximately equivalent with each other.

Table 4.19 There is self-effort and encouragement to bring continuous improvement?

V6Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	16	20	36	40	20	150
Percent	10.7	13.3	24.0	26.7	13.3	100.0
Valid Percent	10.7	13.3	24.0	26.7	13.3	100.0
Cumulative Percent	22.7	36.0	60.0	86.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.19 show that 24% of the respondent answer the question “There is self-effort and encouragement to bring continuous improvement?” negatively (strong disagree or disagree) ,equivalent to the negative respondent 24% also answered neutrally and 40% the participant responded positively which implies the highest percent of participant believes there is self-effort and encouragement to bring continuous improvement.

Table 4.20 Kaizen philosophy is better than other management tool such as BPR?

	Valid					
	SD	D	N	A	SA	Total
Frequency	9	35	54	32	20	150
Percent	6.0	23.3	36.0	21.3	13.3	100.0
Valid Percent	6.0	23.3	36.0	21.3	13.3	100.0

Source: from SPSS computed survey data, 2020

The above table 4.20 show that 29.3% of the respondent answer the question “Kaizen philosophy is better than other management tool such as BPR?” negatively (strong disagree or disagree) , 34.6% answer positively which mean the participant believe kaizen philosophy is better than other management tools and the rest 36% responded neutrally.

Table 4.21 Kaizen help me to both in place of work and private life?

V8Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	13	25	38	42	32	150
Percent	8.7	16.7	25.3	28.0	21.3	100.0
Valid Percent	8.7	16.7	25.3	28.0	21.3	100.0
Cumulative Percent	8.7	25.3	50.7	78.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.21 shows that almost half (49.3%) of the participant think kaizen help them in work and private life and 25.4% of the respondent doesn’t think kaizen help them in any part of life whether it is work or private life and also 25.3% are neutral which is equivalent to the negative respondent; this show that respondent think nothing has change.

Table 4.22 Kaizen committee has commitment in discharging its responsibility jointly with management and employees?

V9Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	17	24	53	36	20	150
Percent	11.3	16.0	35.3	24.0	13.3	100.0
Valid Percent	11.3	16.0	35.3	24.0	13.3	100.0
Cumulative Percent	11.3	27.3	62.7	86.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.22 shows 27.3% of the participant thinks negatively toward the question” Kaizen

committee has commitment in discharging its responsibility jointly with management and employees?”, 37.3% of the participant have positive attitude toward kaizen committee discharging responsibility jointly with management and employees; which shows that workers in sales and production department has the positive attitude toward this question than the negative attitude which the researcher get in the data and the rest of the participants are neutral.

Table 4.23 Participative management is the main tool in implementing kaizen?

V10Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	14	32	44	36	24	150
Percent	9.3	21.3	29.3	24.0	16.0	100.0
Valid Percent	9.3	21.3	29.3	24.0	16.0	100.0
Cumulative Percent	9.3	30.7	60.0	84.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.23 shows that 30.6% of the participant attitude is they don't believe the participative management is the main tool in implementation of kaizen, 40% of the participant believe employee in the sales and production department think the Ethiopian tourist trading enterprise need participative of management to implement kaizen and he rest of the respondent's attitude 29.3% toward this question is neutral.

Table 4.24 Kaizen create conducive environment among workers in their performance?

V12Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	14	27	59	37	13	150
Percent	9.3	18.0	39.3	24.7	8.7	100.0
Valid Percent	9.3	18.0	39.3	24.7	8.7	100.0
Cumulative Percent	9.3	27.3	66.7	91.3	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.24 show 27.3% of the respondent have the negative attitude that kaizen creates conducive environment among workers in their performance and 33.4% of them have the positive attitude which shows the positive attitude participant have greater in percent attitude than the negative attitude participants but from the two different kind of participant the respondents who answer the question neutral is greater than them which is 39.3%.

Table 4.25 Kaizen has insignificant benefit both for management and employee?

V12Attitude						
	Valid					
	SD	D	N	A	SA	Total
Frequency	30	33	36	28	23	150
Percent	20.0	22.0	24.0	18.7	15.3	100.0
Valid Percent	20.0	22.0	24.0	18.7	15.3	100.0
Cumulative Percent	20.0	42.0	66.0	84.7	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.25 show that 42% of the respondent answer negatively to the above question which implies kaizen has no insignificant benefit , 34% of the respondent answer the question positively which explains kaizen has insignificant benefit and the rest of the participant have their answer neutral which tell us they neither agree nor disagree with the question.

## 4.6 Statistical result of attitude toward kaizen

Table 4.26 Statistics of attitude toward kaizen

	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10	V11	V12
Valid	150	149	150	150	150	150	150	150	150	150	150	150
Missing	0	1	0	0	0	0	0	0	0	0	0	0
Mean	3.51	3.17	2.80	2.87	3.00	2.83	3.13	3.37	3.12	3.16	3.05	2.87
Std.deviation	1.345	1.416	1.259	1.401	1.264	1.558	1.101	1.234	1.175	1.204	1.073	1.348
Sum	526	472	420	431	450	424	469	505	468	474	458	431
Percentes	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Source: from SPSS computed survey data, 2020

The above table 4.26 shows that almost all the mean value is above three points which indicates the participant response positively (agree or strongly agree) which describe the attitude of employee toward kaizen is good. And also when we look in to the table there is only one missing value which shows only one question was missed in fulfilling the questionnaires and the standard deviation is around one point which indicates that almost the whole participant answer is more alike the same.

## 4.7 Analysis of kaizen improvement

Table 4.27 Things are getting improved from time to time?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	10	6.7	6.7	6.7
	43	28.7	28.7	35.3
	58	38.7	38.7	74.0
	33	22.0	22.0	96.0
	6	4.0	4.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.27 show that 35.4% of the participant in the two department (sales and production department) responded negatively which is almost equivalent to the percent of participant responded neutrally(38%) and the rest 26% of the participant answer positively meaning things have improved from time to time.

Table 4.28 Management always solve problems faced during implementation of kaizen?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	5	3.3	3.3	3.3
	100	66.7	66.7	70.0
	31	20.7	20.7	90.7
	9	6.0	6.0	96.7
	5	3.3	3.3	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.28 show that more than half(70%) of the participant disagree with the above question ,they responded that not always management solve problem during implementation ,20.7 % of the participant responded neutrally to the question above and only 9.3% of the respondent believe management solve problem always during kaizen implementation.

Table 4.29 Improvements are monitored and reported regularly?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S D D N	6	4.0	4.0	4.0
		45	30.0	30.0	34.0
		63	42.0	42.0	76.0
A S A Total		32	21.3	21.3	97.3
		4	2.7	2.7	100.0
		150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.29 shows that the highest percent (42%) of the participant answered neutrally; they neither believe improvement are monitored and reported regularly nor they are not 34% of the participant responded negatively which tells as improvement is not reported and monitored regularly and the rest 24% of the participant responded positively.



Table 4.30 In my section kaizen increase productivity?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	8	5.3	5.3	5.3
	44	29.3	29.3	34.7
	60	40.0	40.0	74.7
	32	21.3	21.3	96.0
	6	4.0	4.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.30 show that 34.6 % of the participant believe in there section kaizen didn't increase productivity but only 25% of respondent think in there section of work there is increase in to productivity because of kaizen. The rest 40% of the participant they neither agree nor they disagree with the above question.

Table 4.31 Have better performance than other after kaizen implementation?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	9	6.0	6.0	6.0
	41	27.3	27.3	33.3
	64	42.7	42.7	76.0
	33	22.0	22.0	98.0
	3	2.0	2.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.31 shows that 33.3% of the participant responded negatively to the above

question, 24% of the participant agree that after kaizen implementation they have better performance than other management tools an the rest of the participant responded to the above question neutrally; the neither agree nor disagree to the question.

Table 4.32 After implementation of kaizen waste of production drastically decreased?

	Frequency	Percent	Valid Percent	Cumulative
Valid S D D N A Total	13	8.7	8.7	8.7
	43	28.7	28.7	37.3
	32	21.3	21.3	58.7
	62	41.3	41.3	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.32 show that the highest percent (41.3%) of the participant believe that waste of production drastically decreased after implementation but 37.4% of the participant answer opposite from the above respondent they don't believe waste of production drastically decrease after implementation of kaizen and the rest of the participants (21.3%) answer neutral.

Table 4.33 Over production is decreased after kaizen implementation?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	5	3.3	3.3	3.3
	40	26.7	26.7	30.0
	83	55.3	55.3	85.3
	21	14.0	14.0	99.3
	1	.7	.7	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.33 show that 30% respondents answer that over production didn't decrease because kaizen is implemented, only 14.7% of the respondent believe that over production decreased after implementation and the rest of the respondent more than half (55.3%) answer the above question neutral.

Table 4.34 Over process of production is decreased after kaizen implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S	1	.7	.7	.7
	D	38	25.3	25.3	26.0
	N	86	57.3	57.3	83.3
A S A Total	A	17	11.3	11.3	94.7
	S	8	5.3	5.3	100.0
	Total	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.34 show that more than half of the participant (57.3%) which are the highest answer neither they agree nor disagree to the above question 26% of the participant answered negatively they don't believe over process decrease after kaizen is implemented and only 16.6% of the participant believe that there is a decrease in the over process of production after kaizen is implemented.

Table 4.35 Over stock is decreased after kaizen implementation?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	7	4.7	4.7	4.7
	42	28.0	28.0	32.7
	53	35.3	35.3	68.0
	42	28.0	28.0	96.0
	6	4.0	4.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.35 show that 32.7% of the participant responded negatively to the above question, equivalently 32% of participants responded positively and 35.3% of participant answered neither over stock decreased after implementation of kaizen nor it doesn't.

Table 4.36 After implementation of kaizen piled up junk eliminated?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A	12	8.0	8.0	8.0
	40	26.7	26.7	34.7
	46	30.7	30.7	65.3
	49	32.7	32.7	98.0
	3	2.0	2.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.36 show that 34.7% of the participant responded negatively equivalent to this 34.7% of the participant answer positively and 30.7% of the respondent answer neither agree nor disagree to the question above.

Table 4.37 Customer responsiveness good after kaizen implementation?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A S A Total	12	8.0	8.0	8.0
	17	11.3	11.3	19.3
	89	59.3	59.3	78.7
	31	20.7	20.7	99.3
	1	.7	.7	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.37 show that 19.3% of the participants answer that customer responsiveness was not good after implementation, 21.4% of the participant responded positively but more than half 59.3 % of the respondent answer the question neutrally.

Table 4.38 Unity of command become smooth after kaizen implementation?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S D D N A Total	15	10.0	10.0	10.0
	36	24.0	24.0	34.0
	75	50.0	50.0	84.0
	24	16.0	16.0	100.0
	150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.38 shows that 34% of the participants' responded unity of command were not smooth after kaizen implementation and 16% of the respondents believe that there were smooth unity of command after the implementation of kaizen. But half (50%) of the participants they neither agree nor disagree to the above question.

Table 4.39 After implementation of kaizen both management and workers become task oriented?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S D D N A S A	12	8.0	8.0	8.0
		57	38.0	38.0	46.0
		61	40.7	40.7	86.7
		19	12.7	12.7	99.3
		1	.7	.7	100.0
	Total	150	100.0		100.0

Source: from SPSS computed survey data, 2020

The above table 4.39 show that 46% of the participant responded negatively equivalent to this 40.7% of the respondent answer the question neutral; they neither agree nor disagree with question and the rest 13.4% of the respondent the lowest percent agree management and workers become task oriented after kaizen is implemented.

Table 4.40 On implementation of kaizen cost reduction, quality, delivery time and profit improved?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S D D N A S A Total	29	19.3	19.3	19.3
		42	28.0	28.0	47.3
		67	44.7	44.7	92.0
		9	6.0	6.0	98.0
		3	2.0	2.0	100.0
		150	100.0	100.0	

Source: from SPSS computed survey data, 202

The above table 4.40 show that 47.3% of the participant responded cost reduction, quality, delivery time and profit were not improved on implementation of kaizen, 44.7% of the participants responded neutrally and only 8% of the respondent answer the above question positively.

Table 4.41 Kaizen encourage over production?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	S D	35	23.3	23.3	23.3
	D N A Total	39	26.0	26.0	49.3
		66	44.0	44.0	93.3
		10	6.7	6.7	100.0
		150	100.0	100.0	

Source: from SPSS computed survey data, 2020

The above table 4.41 show that 49.3% of the participant almost half of the respondents answer the above question negatively and only 6.7% of the participants believe kaizen encourage production but 44% of the respondents neither agree nor disagree to the above question.

## 4.8 Statistical result of improvement

Table 4.42 Statistical result of improvement

	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10	V1	V1	V1	V1	V15
Valid	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Missing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mean	2.88	2.39	2.89	2.89	2.87	2.95	2.82	2.95	2.99	2.94	2.95	2.72	2.60	2.43	2.34
Std.dev iat io	0.96	0.793	0.879	0.93	0.895	1.02	0.733	0.780	0.95	0.998	0.81	0.85	0.83	0.93	0.91
	2			5		5			5		7	2	5	7	1
Sum	432	359	433	434	430	443	423	443	448	441	442	408	390	365	351
Percent s	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	500	4.00	5.00	5.00	4.00

Source: from SPSS computed survey data, 2020

The above table 4.42 show that all the mean values are three and less than three point which shows that the respondent answer the questions negatively (strongly disagree or disagree) which indicate the absence of improvement in their performance. When we look in to the table there is no missing value; it indicate every question is answered and the standard deviation shows that almost the whole participant answer is more alike the same because the result shows almost all the value is less than one.



## 4.9. Discussion

The research was conducted to assess kaizen practice in the Ethiopian tourist trading enterprise specifically in sales and production departments with this in mind the researcher try to relate it with the following items (implementation of kaizen, attitude of the employee toward kaizen and its improvement after kaizen is implemented).

Based on the descriptive statistics result; the process of kaizen implementation were weak and negative in this enterprise ; interpreting each questions result in the questionnaires concluded that the implementation of KAIZEN in the sampled departments was on very infant stage. When we see the MEANS of implementation of kaizen in the above data; almost all of the result shows that it is below three points (3.00) which indicate most of the respondents don't believe kaizen is implemented properly. According to Pankaj Tiwari (2017) on his journal he indicated also that even though the implementation of kaizen brought some change like better space utilization, safety, and increased customer satisfaction but because of continual practicability of kaizen like considering employees attitude problems, lack of skilled human resource, lack of management commitment, lack of modern technology and capacity gap didn't bring the satisfied result or the positive result that the company expected. As Admasu Abera (2015) in his study pointed out that the effective implementation of kaizen methodology will lead to the success of the organization. One of the reasons of kaizen failure is a company is not fully committed to making kaizen the cornerstone of their strategy. The data above also indicate the enterprise has commitment issue toward kaizen; the attitude of the employee toward kaizen in the questions for example “ Management is committed for kaizen? ” the result of this question show that 44% say management are not committed to kaizen and also 22.7% answer neutral meaning there is no change seen in commitment of management even after kaizen is implemented; this means almost more than half (66.7%) of the attitude of the employee in this enterprise toward kaizen has negative attitude.

According to Imai (1986) he introduced the definition of kaizen in management study and he indicated a lot of studies have been done about the implementation of kaizen within scope of organization in different industries and country. In order to successfully apply the method in the practical field, organization should not only systematically apply the methods of kaizen in right way, but also need to develop suitable and effective kaizen methods that could well fit their specific

needs conditions and cultural activities. From the above data indication the researcher can concluded as the same as Imai that the way kaizen was implemented was not effective because the responses toward the question of implementation of kaizen was weak and when the means of the data is seen its less than or near 3.00 point which shows the negative result. This implies the way of implementation of kaizen didn't work in the Ethiopian tourist trading enterprise.

The data which shows the attitude of employees toward kaizen in this research; when we take the average of the result the attitude of the employee is more favorable toward kaizen as one of the management tools. This shows that the demographic data of the above research show that more than half of the respondents have at least first degree so there intellectual capacity implies that they have the ability to accept change and also the year of work experience is high so it indicates that it's not the attitude of the employee rather the way kaizen philosophy is inserted toward the company was not in the right way. The statistics of the sum of the results in the above table 4.26 tries to show that for example the means is 3:00 point and greater than three pointes which indicate the attitude of the employee toward kaizen is more favorable; so this tells as impliedly it's not the attitude rather the practicability of implementing kaizen on the culture of the organization. As Ulrica von Thiele Schwarz et al.int(2016) point out in order to maximize the positive relationship between kaizen and employee well-being, organizational and employee objectives should be explicitly targeted within the kaizen system; so we need to understand the relationship between kaizen and employee.

According to Admasu Abera (2015) kaizen is like a snowball rolling down a gently sloping hill – it gathers momentum and increases in size as it comes down. The improvements gradually accumulate overtime, as processes are perfected and methodologies pinched. Kaizen is about everyone improving everything, not just a group doing all the work or just implementing it and others could follow. Kaizen is all about making things better in the long run, and improving profits and processes. It is a strategy that needs to be implemented now, for the future. Likewise; looking at the above data result even if kaizen is implemented in the enterprise; not inserting it properly have effect in performance of the company. Implementation of kaizen and performance improvement after kaizen implementation has related effect. For example when we see the MEANS of the result of questionnaires; it shows that its less than three point which indicate almost all participant responded that there is no change seen after implementation of kaizen; it indicate

the overall improvement through kaizen implementation is not promising. As A.Abera point out that improvement is gradually accumulated over time; so first the company need to focus on the strategy that kaizen is implemented then when the processes is perfected or grown to that place where the kaizen philosophy is inserted in the company culture or employee knowledge then the company can expect improvement.

#### **4.10 Qualitative data analysis**

Based on the semi-structure interview the researcher can show how managers of Ethiopian tourist trading enterprise (ETT) in light of assessing the company's kaizen implementation practice. The first question that was asked to the managers was "*How are employees involved in kaizen implementation?*" most of the respondents answered even though the system of kaizen implementation is more or less in place but the extent of implementation was not to the fullest extent. From the above response the researcher indicates that there is implementation of kaizen but the way it is implemented were not to the fullest extent meaning the implementation was not promising enough to bring change. The second question was "*How do u describe the attitude of employees and management toward kaizen in your company?*" the response from the managements was the attitude of employee and management toward kaizen are good but there is lack of commitment and follow up. These responses indicate that the employee and management have some concept about kaizen; theoretically speaking both of them accepts the philosophy but after the fact meaning implementing it properly is the problem. The last question that was raised "*what are the improvement achieved after implementation of kaizen?*" the response from the management was an attempt to reduce wastes of production ,an attempt to reduce unwanted material and an attempt to achieve change in customer services and etc.. From this response the researcher can indicate there is some kind of movement of improvement but it's an attempt not practical. This shows the improvement made after implementation of kaizen was not promising.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter provides the summary of the major findings based on the previous chapters. After that, the chapter provides the conclusion part which the research questions are answered. This chapter also provides recommendations for Ethiopian tourist trading enterprise (ETT) that could be helpful. Finally, suggestions for future researchers have been discussed.

#### 5.2 Summary of Major Findings

The purpose of this study was to assess kaizen practice in the Ethiopian tourist trading enterprise (ETT). Depending on the result the following major findings were obtained from the result of data analysis.

- The demographic backgrounds of the sample respondents are presented in four parameters t i.e., gender, age, educational status and work experience. Based on the data presented above there is more female employee than male , the majority of employee working is 31-40 years of age and educational back ground the majority of the employee have diploma.
- The implementation of kaizen of the respondents result shows that the greater part of mean value is three and less than three points which indicates the absence of proper kaizen implementation. When we look in to the result there is no missing value and the standard deviation shows that almost the whole participant answer is more alike the same.
- The attitude of employee toward kaizen of the respondents result shows that most of the mean value for this category is above three point which indicates the attitude of employee toward kaizen is good. And also when we look in to the data there is only one missing value and the standard deviation show that almost the whole participant answer is more alike the same.
- The result show that the mean value for this category are three and less than three point which indicates there is absence of improvement after kaizen is implemented. The result

shows there is no missing value and the standard deviation shows that almost the whole participant answer is more alike the same.

### **5.3 Conclusion**

Kaizen originated in Japan, its translates to change (kai) for the good (zen). It's a Japanese philosophy used for process of continuous improvement in quality, technology, company culture, productivity, safety, leadership and also a way of thinking, working (performing), fixing in the attitude and value of organization. But when assessing kaizen practice in Ethiopian tourist trading enterprise it didn't bring the satisfactory result which were expected. Making employees to know about the need for change and making them to know why the intended change is implemented in the organization is starting point for any kind of change initiative. This activity makes employees ready for change. In line with this trainings were provided to the employees working in ETT; but the training given to the employee were not adequate. Training is the necessary tool for the employee in this circumstance to gather the required knowledge and skill so that to implement change. Even though the attitude of the employee toward kaizen is good but the practicability or the way it is implemented were not promising. Lack of required knowledge and skill to carry out the new way of doing leading to frustration and this become source of change resistance. Management need to make extra effort to enhance the skill and knowledge of employees so as to implement kaizen successfully. The perception of employee towards kaizen is good in this enterprise; they believe kaizen is important in their area of work. Getting acceptance by employees for the proposed change is a difficult task in change initiative. In this regard the enterprise has employees who are mentally and physically ready to undertake the intended change if managements support and encouragement is there.

At last Ethiopian tourist trading enterprise need to implement kaizen properly and even though the attitude toward kaizen is good it need to be polished meaning if it is not properly handled there will not be change but when implementation of kaizen is practiced properly then the attitude will be good and improvement will be promising.

## 5.4 Recommendations

Based on the findings and result given by the respondents the following recommendations are suggested.

- Full involvement of employees and management in the kaizen practice is an important thing for successful implementation of kaizen. This can be done through participating employees in decision making, sharing problem and encourage them to suggest solution for the problem, evaluating the progress together with the employees.
- Ethiopian tourist trading enterprise need to implement kaizen in a way it fit the organization it should go with the organization culture and practice. For example encouraging employees to involve in kaizen interaction and implementation through their work culture it help the employees to internalize the theory and accept the way of doing.
- Continuous training is needed to refresh the knowledge and skill of employees as well as to make employees familiar with new technique and methods of work. So this will help for example the sales and production department to have a continuous process of development because with a refresh knowledge.
- Kaizen is all about continuous improvement; the change is incremental and gradual there is no dramatic change. In cases where employees need continuous encouragement or monitoring the management should be committed to the task without any negligence.
- Regular monitoring achievement and conducting kaizen events are important activity to reinforce the kaizen practice. Kaizen committee and management need to monitor and report the progress. Arranging kaizen events that help members to know improvement achieved and to share ideas for the future improvement.
- Management need to make effort to get rid of any type of problem the employees is facing during implementation of kaizen. Management should provide a workable solution for any sort of problem to create conducive environment for employees to improve continuously the kaizen practice. Its though fulfilling the necessary resource required to implement kaizen properly will lead the departments to success.

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# Appendices



St. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

MASTER OF BUSINESS ADMINISTRATION PROGRAM

Dear respondents,

I am a postgraduate student of the above mentioned institution and currently undertaking a research on “The assessment of kaizen practice” taking Ethiopian tourist trading enterprise as a case study. The purpose of the questionnaire is to obtain information about how Kaizen is implemented. The quality of the result of this research is based on the accuracy of the information you provided. The research work is for academic purpose only. Your honest opinion is very valuable to the success of this study.

Appendix-1 Questionnaire

Part I. Please follow the instruction carefully

- You are not required to write your name.
- Put in the box provided a Tick symbol letter

Personal information

1. Gender: A) Male                      B) Female

2. Age:        A) 20-30 B) 31-40        C) 41-50        D) 50-60 E) above 60

3. What is your education background?

A) Certificate              B). Diploma              C) 1st degree              D) above

4. How long have you been working in Ethiopian tourist enterprise (ETT)

- A).less than 2 year
- B) 2-5 years
- C) 6-10 years
- D) More than 10

Part II. Please rate your agreement or disagreement with the statements below.

Complete your ratings by circling the appropriate number.

No	Question in Detail	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	<b>Implementation of kaizen</b>					
1	Management were created awareness about kaizen from the start.	1	2	3	4	5
2	I have been involved in kaizen interaction and implementation.	1	2	3	4	5

3	Adequate training provided before kaizen implementation	1	2	3	4	5
4	Resources required for kaizen implementation is adequately fulfilled.	1	2	3	4	5
5	Kaizen events are regularly held.	1	2	3	4	5
6	Kaizen implemented in group than individual level.					
7	Management design policy and strategy to follow up implementation of kaizen.	1	2	3	4	5
8	Recurrent training intensively provided for sustainability of kaizen.	1	2			5
	<b>Attitude toward kaizen</b>					
9	Kaizen is implemented in my area of work.	1	2	3	4	5
10	I understand kaizen is important in my area of work	1	2	3	4	5
11	Management is committed for kaizen	1	2	3	4	5
12	My immediate supervisor encourage me to suggest ways to improve my work	1	2	3	4	5
13	Kaizen committee provide support regularly	1	2	3	4	5
14	There is self-effort and encouragement to bring continuous improvement.	1	2	3	4	5
15	Kaizen philosophy is better than other management tool such as BPR	1	2	3	4	5
16	Kaizen help me to both in place of work and private life	1	2	3	4	5
17	Kaizen committee has commitment in discharging its responsibility jointly with management and employees.	1	2	3	4	5
18	Participative management is the main tool in implementing kaizen.	1	2	3	4	5
19	Kaizen create conducive environment among workers in their performance	1	2	3	4	5
20	Kaizen has insignificant benefit both for management and employee	1	2	3	4	5
	<b>Improvement</b>					
21	Things are getting improved from time to time	1	2	3	4	5
22	Management always solve problems faced during implementation of kaizen	1	2	3	4	5
23	Improvements are monitored and reported regularly	1	2	3	4	5
24	In my section kaizen increase productivity	1	2	3	4	5

25	I have better performance than other after kaizen implementation.	1	2	3	4	5
26	After implementation of kaizen waste of production drastically decreased	1	2	3	4	5
27	Over production is decreased after kaizen implementation	1	2	3	4	5
28	Over process of production is decreased after kaizen implementation	1	2	3	4	5
29	Over stock is decreased after kaizen implementation	1	2	3	4	5
30	After implementation of kaizen piled up junk eliminated	1	2	3	4	5
31	Customer responsiveness good after kaizen implementation	1	2	3	4	5
32	Unity of command become smooth after kaizen implementation	1	2	3	4	5
33	After implementation of kaizen both management and workers become task oriented	1	2	3	4	5
34	On implementation of kaizen cost reduction ,quality, delivery time and profit improved	1	2	3	4	5
35	Kaizen encourage over production	1	2	3	4	5

## Appendix-2 Interview questions

These interview questions are designed to assess the company kaizen practice in Ethiopian tourism trading enterprise. The information gathered will be used for academic purpose. I therefore, would like to assure you that the data collected will not be misused in anyway. Please be honest while giving the information.

1. How is employee involved in kaizen implementation?

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2. How do you describe the attitude of employee and management toward kaizen in your company?

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3. What are the improvements achieved after implementation of kaizen?

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