



SUPPORTING SMALL AND MEDIUM-SIZED ENTERPRISES
TO GROW AND CREATE BETTER JOBS



International
Labour
Office
Geneva



SUSTAINING COMPETITIVE AND RESPONSIBLE ENTERPRISES



Over **400** enterprises trained in Phase 1
More than **76,000** employees
benefitted from enterprise improvements

The objective of the SCORE (Sustaining Competitive and Responsible Enterprises) programme is to assist small and medium-sized enterprises (SMEs) to become cleaner, more productive and competitive, and provide better jobs. SCORE Training drives this transformation, promoting the use of best international practices in manufacturing and service sector SMEs and facilitating entry into global supply chains.

SCORE is a practical training and in-factory counselling programme that improves productivity and working conditions. The five core training Modules cover workplace cooperation, quality management, clean production, human resource management, and safety and health. The training focuses on developing cooperative workplace relations to produce shared benefits for workers and enterprise owners by developing a continuous improvement culture.

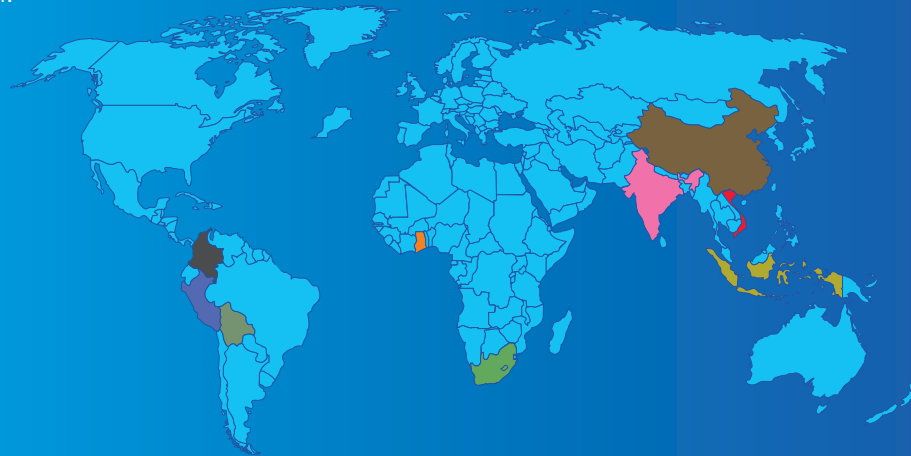
SCORE Training was designed in 2009 and is based upon many years of ILO experience in business development and factory improvement initiatives in Asia and Africa. The global involvement in SCORE of over thirty national partners - training institutions, Government Ministries, sectoral, workers' and employers' organisations – has ensured that the training is geared to both national and sectoral needs.

SCORE COUNTRIES AND SECTORS

The SCORE programme is funded by the Swiss State Secretariat for Economic Affairs and the Norwegian Agency for Development Cooperation. Under Phase 1 of the programme, 400 enterprises across 9 countries and 9 sectors benefited from SCORE Training.

In Phase II (2014 – 2016), a further 750 enterprises will benefit from SCORE Training, while the programme continues its work to ensure that national partners are ready to independently promote and deliver SCORE over the longer term.

Bolivia - Manufacturing
China – Textiles, Machine & Auto Parts
Colombia – Garments & Flowers
Ghana – Manufacturing
India – Auto & Machine Parts
Indonesia – Garments, Auto Parts & Others
Peru – Agro Processing
South Africa – Ecotourism Lodges
Vietnam – Furniture



THE SCORE TRAINING PROCESS



Training for each Module begins with a two-day workshop facilitated by an expert. Four to five enterprises are trained together in the workshop and each enterprise is represented by four participants: two managers and two workers. After the workshop experts visit the enterprises to offer advice and support as the training is put into practice



THE SCORE TRAINING MODULES

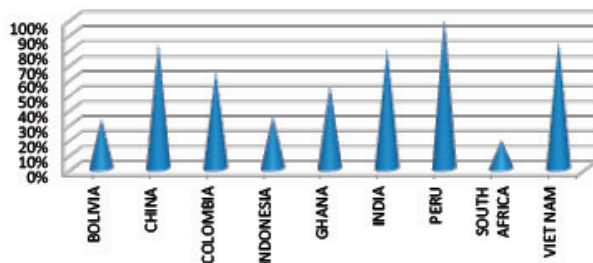
All enterprises start the SCORE Training with Module 1: Workplace Cooperation – A Foundation for Business Success. Further modules are then selected based upon priorities decided upon during the baseline assessment.



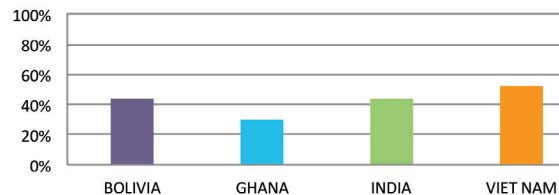
KEY SCORE IMPACTS AT THE ENTERPRISE LEVEL

SCORE has developed a Monitoring and Evaluation database, which makes it possible to track the impacts of the programme on a range of performance indicators. The graphs presented here are based on this data.

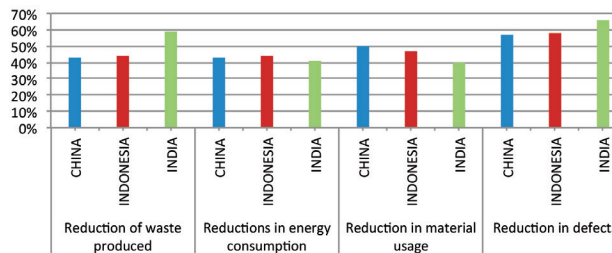
% of SCORE enterprises reporting cost savings



% of SCORE enterprises reporting drop in labour turnover



% of SCORE enterprises reporting reductions in waste production, material & energy usage



THE SCORE “WIN-WIN”

FOR SME OWNERS AND ENTERPRISE CLUSTERS	<ul style="list-style-type: none"> > Increased access to national and global markets as more able to meet buyer and labour law requirements > Healthier, more motivated employees and Improved workplace relations > Lower waste and defects leading to lower costs and higher productivity > Opportunity to network and share new practices > Capacitated national and sectoral organisations, more able to drive SME upgrading 	COMMUNITY BENEFITS THROUGH SUSTAINABLE GROWTH
SME WORKERS	<ul style="list-style-type: none"> > The chance to improve safety and solve problems, creating a healthier and better place to work > A voice in the enterprise, and a chance to contribute to and benefit from growth 	<p>In SCORE Training SMEs are supported to enhance worker-manager cooperation, and create safer, more efficient and more productive workplaces. This, in turn, raises competitiveness and increases the potential for the businesses to grow and bring more and better jobs to local communities.</p>
NATIONAL AND INTERNATIONAL BUYERS	<ul style="list-style-type: none"> > More competitive suppliers with better compliance > Lower reputation risk from poor supplier practices 	<p>The promotion of environmentally-friendly practices is integral to the Training, as an important factor for sustainability, worker and community health and, frequently, a source of cost savings. For example, participating firms are supported in efforts to reduce waste, recycle, safely handle pollutants and on many other steps towards a “greener” enterprise. Such improvements help ensure a healthier community, improve business access to export markets (through improved compliance), and help to make the final product more attractive to increasingly environmentally conscious end consumers.</p>



A SCORE CASE STUDY FROM INDONESIA

Managing Growth through improved workplace cooperation: the case of PT Laksana Teknik Makmur.

Company Director, Mr H. Suwarno, explains why he was drawn to SCORE: “I was looking for a training programme that would help us to address our challenges and become more competitive.” He had heard about SCORE from the company’s main buyer, Astra Automotives, and felt it would meet the company’s needs.

The auto-parts company had grown quickly from five employees in 1998 to 200 in 2012, but lacked a formal structure and management system. Problems had arisen with the communication flow between workers and management, aggravated by the fact that they rarely met. The employees had no voice in how work was organized and had significant concerns over occupational safety and health (OSH), which were causing increased sickness.

Improvements included steps to ensure a two-way information flow, with daily team meetings introduced, to run through production targets and share information on customer requests and feedback. In addition, the company began to hold weekly meetings for the whole staff. The meeting includes a morning exercise session, announcements about company activities, plus a session in which managers respond to ideas and concerns of workers. The joint efforts of employees and managers also led to a significant improvement in the workspace organization, including the rearrangement of machines. In the storeroom, a colour coding system was also introduced which facilitated the differentiation of work-in-progress from rejected items.

As explained by Mr Agung Nugraha, a member of the production team, “The good storage management system has helped me to locate the correct items quickly, calculate the amount of goods easily and control the inventory effectively.”

Both managers and workers were so impressed with the impact of Module 1 that the company has continued with SCORE and has now completed three more Modules.

IMPACTS OF SCORE AT PT LAKSANA

- Defect rates decreased from 5% to 2%;
- Health and safety has become a high priority at the company, OSH signs are now posted around the working area and personal protective equipment is now fully accessible for employees;
- Special cubicles have been built as spraying rooms;
- Health benefits have been extended to workers' families;
- Energy consumption, waste and material use have all dropped;
- New machine maintenance and defect analysis systems are now in place.

“Improvements are not expensive or a burden, but a long-term investment that benefits the company by increasing productivity and profit and improves the products we make.”

**Mr H. Suwarno,
Director, PT Laksana**

TOOLS FOR SUCCESS: HOW SCORE PROMOTES CONTINUOUS IMPROVEMENT

The Enterprise Improvement Team

The first action that participants usually take following the two-day SCORE training, is to form an Enterprise Improvement Team (EIT). The EIT brings together workers and managers to identify issues to be addressed and create an Enterprise Improvement Plan. For some enterprises, the idea of workers and managers discussing issues together is innovatory in itself. Even in firms where meetings take place, communication is often top-down, providing little or no opportunity for workers to share their concerns or their ideas for improvements.

The formation of the EIT may seem like a small step, but it is the key driver of a culture change, which promotes workplace cooperation, continuous improvement and innovation.

“The greatest challenge we came across while establishing the suggestion box was that some of the employees couldn’t write. They were so motivated regardless of their illiteracy and wanted to put their ideas forward, so they got help with writing their suggestions down.”

Portia Ndlovu, Duty Manager, Shimuwini Bushveld Camp, Kruger National Park, South Africa

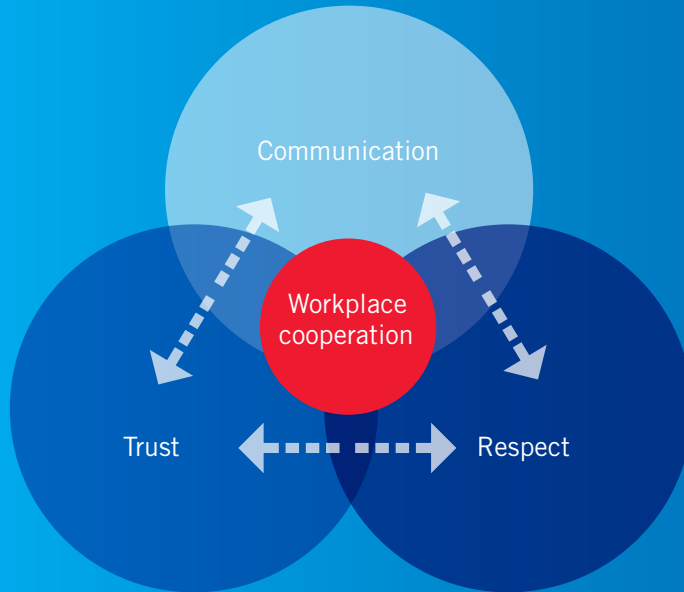
Sharing ideas: employee suggestion schemes

An employee suggestion scheme is a systematic way for workers to share their ideas for improving the workplace and business operations. As the people who carry out the processes all year around, machine operators, assembly workers, maintenance people and other shop floor workers know better than most where time is wasted or problems arise. They often have excellent ideas on how to avoid these, but feel unable to speak up. A suggestion scheme is one answer to this and can lead to innovatory ideas being shared that improve efficiency and quality as well as giving workers an increased sense of engagement in the enterprise.

“Morning meetings have improved our communication with management. The new suggestion scheme and the implementation of suggestions makes us feel important. There is a feel good factor now.”

Worker, Indian Engineering factory

ESSENTIALS OF WORKPLACE COOPERATION



Workplace cooperation is based on trust, mutual respect and confidence built on good communication and information sharing. SCORE Training introduces various tools to managers and employees that improve workplace cooperation and help SMEs move to higher levels of quality and productivity. These tools are taken from worldwide best practices used by leading companies to achieve outstanding results.

MORE SCORE TOOLS

Measuring improvements

SCORE Training incorporates two types of measurement of change. The first is the gathering of pre- and post- implementation data. Yes-No indicators are used to record whether the company has important policies or practices in place e.g. a health and safety policy or regular workplace meetings. Other indicators track changes relating to productivity, physical conditions and matters relating to employees, e.g. defect rates, accident rates and employee turnover.

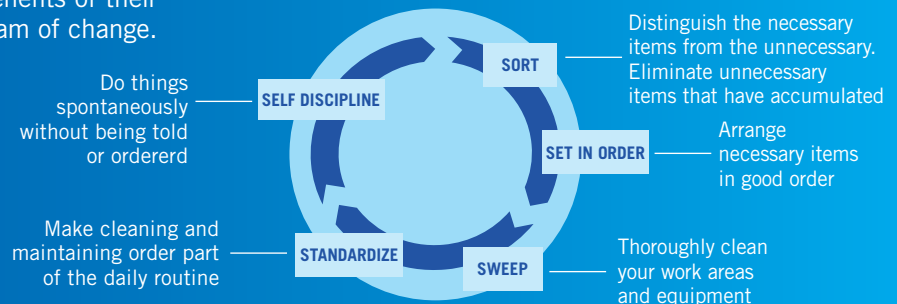
The second form of measurement promoted in SCORE - Visual Measurement - is inspired by the 5s approach to continuous improvement. Before and after photos are taken and displayed, so everyone can see the difference that can be made by mostly simple, low-cost actions. Both this visual evidence and the more classical data, show both managers and workers the benefits of their joint efforts, fuelling a continuous program of change.

The application of 5s

5s is an excellent way to build workplace cooperation because it relies on teamwork and joint problem solving. The name “5s” comes from the Japanese words used for five “housekeeping rules”, which all begin with the letter “se” (or “shi”).

In many enterprises, basic work organisation and untidiness create an important drag on productivity, increasing retrieval times and creating delivery delays, problems with raw material expiry, increased accidents and losses through breakage. 5s provides a simple system that enterprises (workers and managers) can easily implement to avoid these types of issues.

THE KAIZEN 5S IMPROVEMENT CIRCLE





1. Total Produksi	—	17.97	
2. Total Reject	—	(ND) = 2	
3. Complete Delivery	> 80%		
4. On Target Delivery	> 50%		
5. Late Delivery	< 30%		
6. Sumber Daya Manusia	TOTAL	121	stat
7. Total Jam Kerja	248.740	YTD:	
8. Kasus First Aid (KFA)	1	YTD:	
9. Lost Time Injury (LTI)	1	YTD:	
10. Fatality (FTA)	- 0 -	YTD:	

> Tracking data



> Suggestion Box for the ideas Employees



> **Before:** A disorganised and uncomfortable work station



> **After:** The workstation is reorganised for greater comfort and efficiency.

WHAT PARTICIPANTS HAVE TO SAY ABOUT SCORE

“The working process is more efficient now. It previously took five days to produce 100 garment pieces, but now it only takes four days.”

Muzayinah,
Quality Circle supervisor, Colombia

“The working environment is now cordial, all colleagues greet each other very well and workers are respected by the management”

Quality Control Supervisor and EIT Secretary,
Multi-pac Ghana Ltd., Ghana

“The ideas for improvement were there the challenge was how to implement them. With the introduction of 5S under the SCORE project I am happy they have taken my plan, developed it and are using it on the ground, paving the way for the progress I wanted. We cannot be at 100% as we go step-by-step on the ladder but can do better with time.”

Hassan Jaber, Managing Director,
Multi-Pak Ghana Ltd., Ghana

“I take reading of power consumption of Compressors every day. Watching reduction in power consumption has given me and my team lot of satisfaction.”

Mr Sridhar Shinde,
Quality Inspector, Tej Industries, India

“On-site application [of SCORE] is applicable for everyone ranging from the lowest tier staff to the top management level.”

Raharas Sapta, Owner & Director,
P.T. Lestari Dini Tunggul, Indonesia

“Before the training, shreds of yarn and cloth would be left around on the floor and the entire place was dusty. There was a high risk to get hurt. Now, it’s clean and tidy.”

Maryadi, employee,
P.T. Lestari Dini Tunggul, Indonesia

“We didn’t think there was room for improvement. It was only after we participated in SCORE program that we realized a lot of things could be improved and that they were within our financial capability.”

Ratri Sapta, HRD director,
PT Lestari Dini Tunggul

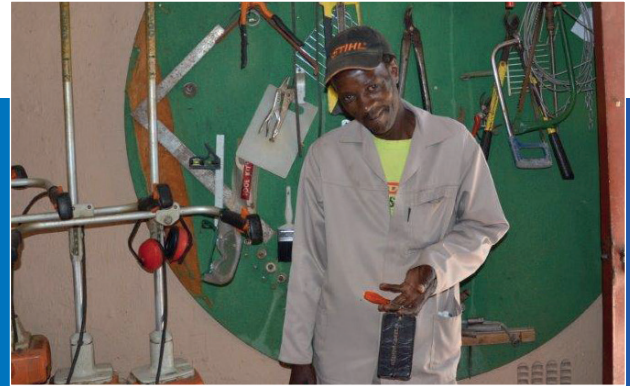
“The implementation of improvement in Module 1 (Workplace Cooperation) brought very positive impacts to our production. Overtime in 2012 reduced by over 37% compared to 2011 and productivity increased by 15%.”

Mr. Huynh Quang Vu - Production manager,
Hiep Long co, Viet Nam

“The SCORE program has taught us how to identify the opportunities for improvement and how to achieve improvements. Today my employees on their own are switching off of machines and lights after their work. I can see the pride in the face of my employees as they speak on how they have taken steps to save money for the company. I feel happy and encouraged to see how my employees are actively participating in problem solving.”

Prasana Mutha,
Owner of Tej Industries, India

87% Global average rate of
satisfaction with SCORE Training



The programme

Sustaining Competitive and Responsible Enterprises (SCORE) is a practical training and in-factory counselling programme that improves productivity and working conditions in small and medium enterprises (SMEs). SCORE Training demonstrates best international practice in the manufacturing and service sectors and helps SMEs to participate in global supply chains.

SCORE Training is an integral part of ILO's Small Enterprises Unit, developed and implemented with the support of the Swiss State Secretariat for Economic Affairs (SECO) and the Norwegian Agency for Development Cooperation (NORAD).



SCORE Global Programme

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