

# *productivitysa*

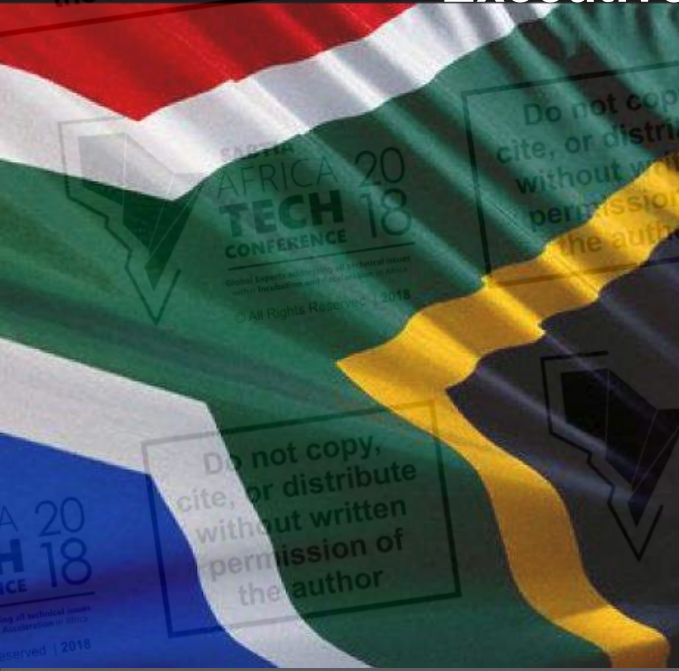
*Inspiring a Competitive South Africa*



# PRESENTATION TO SABTIA AFRICAN BUSINESS INCUBATOR & ACCELERATOR TECH CAMP

“Improving, Quality in the Entrepreneurial Eco-System”

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# PRESENTATION OUTLINE

- The Mandate of Productivity SA
- Current Status Quo
- Identified matters that need to be addressed
- The Way Forward



# THE MANDATE OF PRODUCTIVITY SA

Productivity SA is established in terms of section 31 of the Employment Services Act, No. 4 of 2014 as a juristic person and an Entity of the Department of Labour

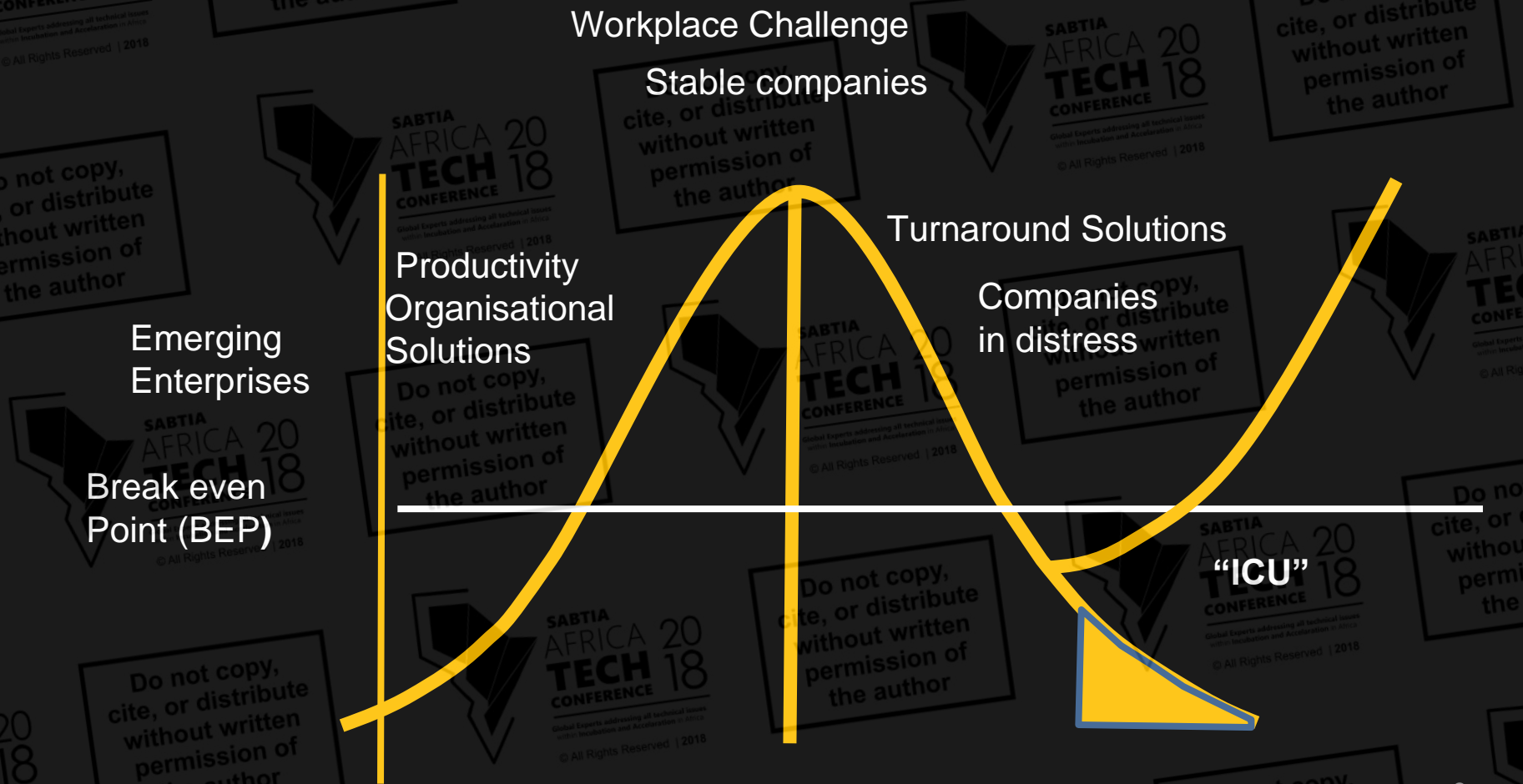
Our mandate is to promote employment growth and productivity thereby contributing to South Africa's socio-economic development and competitiveness.



# THE CORE BUSINESS AND SERVICE OFFERING

- ❖ **To promote employment, income and wealth growth, and increase workplace productivity.**
  - Business Transformation and Competitiveness Improvement Programmes to enhance productivity and competitiveness of enterprises (emerging and existing) of all sizes within the IPAP Priority Sectors; and
  - Enterprise development and productivity training programmes to enhance the appropriate capacities of Small and Medium Enterprises and co-operatives to adopt world-class productivity enhancement best practices, with a focus on products, processes and people; and
- ❖ **To provide support to enterprises facing economic distress and initiatives or schemes aimed at preventing job losses or minimising the retrenchment of employees.**
  - Implementing Business Turnaround and Recovery plans and programmes to restructure and improve the productivity operational efficiency of the organisation.
  - Facilitating the establishment of Enterprise-Based Productivity Forums to promote dialogue on Productivity Improvement Strategies as well as training of members thereof.

# THE CORE BUSINESS AND TARGET MARKET

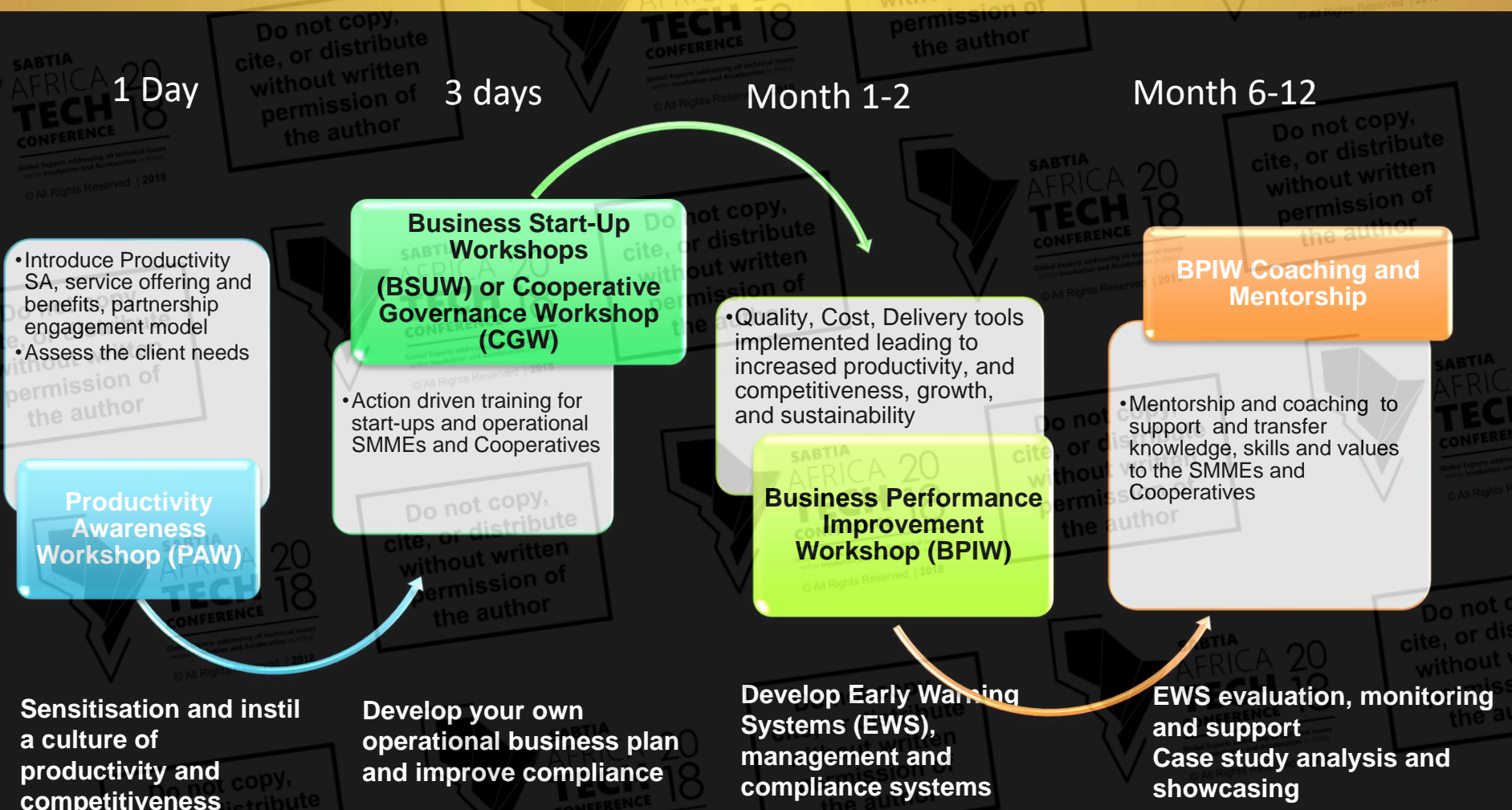


# TARGETED ECONOMIC SECTORS

Our Enterprise Support Programmes focus on achieving a productive high-income economy which is globally competitive, targeted at the core productive sectors of the economy which have a potential for labour absorption, including:

- Agriculture / Agro – processing; Agri-business
- Energy
- ICT
- Manufacturing – Metal Fabrication
- Mining – Platinum Group Metals

# FOUR PHASE INTERVENTION





# PHASE THEME AND BENEFITS

## Productivity Awareness Workshop

Duration: 4-6 Hrs.

**Sensitisation and instil a culture of productivity and competitiveness**

## Business Start-up Workshop (BSUW)

Duration: 3 Days

- Feasibility studies
- Entrepreneurship
- Costing and pricing
- Financial literacy
- Cash flows
- Cooperative and Corporative governance and leadership
- Business principles
- Developing a Business Planning
- Referral to markets and financial institution

## Business Performance Improvement Workshop (BPIW)

Duration: 5 days

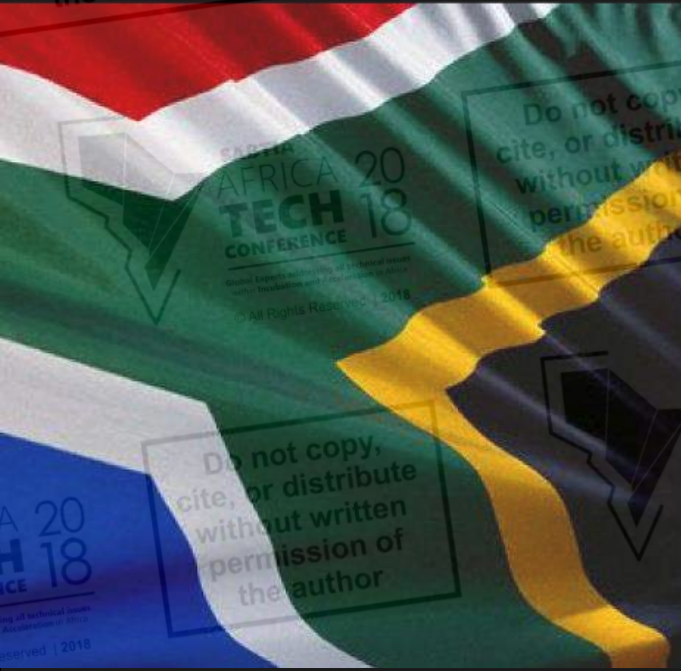
- Financial assessments
- Increasing Sales
- Reducing waste
- Dealing with Cost drivers
- Quality Compliance
- Resource Utilisation
- Team work
- Goal alignment
- Process Improvement
- Early Warning Systems
- Productivity Management

## BPIW Coaching and Mentorship

Duration: ( 6-12 months )

- Productivity Improvement Projects support
- Early Warning Systems Monitoring and Evaluation
- Project close out reporting
- Case study analysis and showcasing
- Promotion to WPC programme
- Turnaround Solutions Strategies
- Participation in Productivity Awards

**Identified matters that need to be addressed and a strategy for resolving the sustainability and competitiveness challenge facing SMMEs with a focus on productivity and innovation as a catalyst for economic growth**



# KEY STRATEGIES TO COUNTER SMMEs SUSTAINABILITY CHALLENGES

- ❑ SMMEs need to innovate both in the sense of creating new products and in the sense of creating a more sophisticated business environment.
- ❑ Productivity culture and competencies should be promoted and nurtured within SMMEs.
- ❑ SMMEs should be assisted to adapt their production systems to be flexible and their costs (price) to be competitive in order to increase market share.
- ❑ SMMEs should be capacitated with the full range of skills and expertise to operate their production / operation systems efficiently.

## WHAT PRODUCTIVITY SA PROPOSES:

- ❑ Use the current **Workplace Challenge** programme to improve efficiency in labour absorbing priority sectors so as to improve productivity and competitiveness in these sectors and enable them to retain and create new jobs.
- ❑ Allow SMMEs access to the **Productivity Organisational Solutions Programme** within Productivity SA specifically focusing on new and aspiring business with special focus on growth and productivity.
- ❑ Increase **access to supply chains** for small and micro business – this can help increase capacity of small companies so that they can leverage the supply chain of big companies including SOEs. The Productivity SA Transnet ESD Programme is an example of this type of intervention.
- ❑ Advance the **Productivity Council Agenda** so that productivity improvements becomes the centre of policy at the highest level.
- ❑ Use the **Kaizen initiative** to help improve productivity in key labour absorbing sectors, especially the SMMEs and the township economy. Kaizen is a low cost approach and well suited for SMMEs and the township where the companies lack large research and development capital outlay to improve capacity

## WHAT PRODUCTIVITY SA PROPOSES:

- ❑ Coach SMMEs on continuous planning and quality improvement as a prerequisite for survival.
- ❑ Coach SMMEs on the importance of the development and nurturing of alliances in their eco-systems. (Sharing of product, technology, R & D capabilities)
- ❑ Coach SMMEs on the importance of innovation and knowledge management to ensure continued growth and competitiveness in ever changing markets.
- ❑ Assist stakeholders of Productivity in South Africa with the benchmarking of processes and practices to ensure that knowledge and experiences are shared amongst SMMEs and globally.
- ❑ Partner with and allow Productivity SA access to schools and youth centres and other relevant platforms to cultivate a culture of productivity at all levels and life stages.

# PRODUCTIVITY SA PARTNERSHIP PROFILE

- Determine Status Quo of Business - Design of Productivity Matrix

## Benchmarking

## Establishing Best Practice Companies

- Training and Development of newly established and existing business
- Implementation of Best Practice Productivity Interventions

- Showcasing productivity improvement
- Expansion of project to include larger scope of businesses to benefit from Initiatives

## Monitoring and Evaluation for Replication

THANK YOU

