

BILATERAL TRANSFER OF PRODUCTIVITY ACHIEVEMENTS

The productivity of Estonian industry is rising, but insufficiently. Studies have been made of productivity growth rates and a methodology elaborated for productivity measurement and analyses. Prof. E. Kalle has run seminars and training courses for enterprises and employers' federations. One seminar has been held for representatives of employers and employees federations. During the last five years the role of the Estonian Productivity Centre has been carried out by the Productivity Council of the Federation of Estonian Engineering Industry (FEEI) in close cooperation with Tallinn Technical University, the Confederation of Estonian Employers and Industry, the Estonian Metalworkers Union and interested enterprises in the form of a "virtual productivity center".

The support from the Finnish Productivity Center over these five years has been remarkable.

Good practice

1. Since the beginning of 1998 the Estonian Statistical Office has provided quarterly information on productivity levels in all branches of Estonian industry. The level of labour productivity has, according to the branch in question, risen from € 20,000 to € 80,000 per employee, with an annual growth rate of some 10%.
2. On the company level, with the support of the FEEI the instrument enterprise TARKON Ltd. introduced in 1998 monthly productivity measurement of labour, labour costs, materials and energy costs, with assessments. Changes needed for raising productivity have been implemented, with employee involvement.
3. Finnish productivity achievements have been transferred to Estonian enterprises through Intereg Project 2000. Its Finnish project management includes specialists from VOLANS GROUP Ltd., with consultants from the EDUPOLI training centre in Porvoo. From the Estonian side the programme partners include FEEI, six metal-working enterprises (including Baltic Ship Repairers), three furniture factories and one food-processing factory. At the beginning of 2000 an introductory seminar was run in Tallinn. The bilateral steering group and consultants drafted the plan for year 2000. Practical work began with productivity analyses at enterprise level for each participating company, based on studies carried out jointly by consultants and enterprise specialists. The real situation at the management level was analysed, as were development possibilities as regards planning, materials' handling, energy savings, personnel skills, quality management, etc..

Tools

Plans have been drawn up for developing necessary measures which are implemented by working groups in the participating enterprises. These are analysing losses in working hours, the introduction of productivity matrixes, etc.

For company specialists a study visit was organised to the EDUPOLI training centre and to machine-tools, shipbuilding and furniture enterprises in Finland.

In September a seminar was organised for Estonian industry on using quality systems for developing productivity and competitiveness in industry.

The wrap-up meeting of the Finnish-Estonian productivity project was held in November; however, interest has already been expressed to expand the 'good practice in productivity transfer' project to the year 2001, including enterprises from Latvia-in addition to Estonia.

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