

Benefits for workers and business through higher productivity in garment factories in Myanmar

How Shwe Yi Zabe succeeded in increasing productivity and setting up an incentive system for workers

This article provides an account of a garment producer in Myanmar with a vision of combining increased productivity with incentives for workers.

Shwe Yi Zabe was not always able to achieve the expected and pre-planned productivity of daily and monthly outputs. They could not identify the problem, because the management had no data on the efficiency of each department and worker due to lacking records. All workers received the same wages based on their skill levels no matter if they reached their daily production target or not.

SMART Myanmar and experts from the German company ESGE recommended a payment system which allows to pay wages according to each individual worker's performance. Apart from transparency of workers' performance the payment system also captures figures of overall productivity throughout all production departments.

The precondition for such a system is to have correct and up-to-date data of the whole production process starting from cutting to sewing to packing. ESGE recommended to install a computer software which is linked to a barcode scanner and printer in order to generate all necessary data.

ESGE trained factory staff on how to operate the software and implement the related steps for continuous recording of in-line production data. The software set-up required to first enter detailed basic data related to workers, production orders and each step of the production from cutting and sewing to finishing and packing. Jointly with the ESGE expert, the production technicians fed in the basic data and carried out trial runs in initially only one test sewing line. For capturing the in-line production data they recorded the actual input and output figures based on bundles of work of the test line.

Likewise, the workers were also trained on how to handle the labels on garment bundles for recording their received and finished pieces. After each work step the workers collect the label with the barcode they have processed during the day. In the evening the department in-charge collects the barcodes from the workers and office staff scans them into the software the next morning.

The first result was an eye-opener for the management. A precise overview of the overall daily production made it possible to step in when necessary to ensure a smooth and efficient work flow and plan future production capacity in a proper way. The production data of workers informed them about their individual performance which is a precondition for introducing an incentivized payment system.

Quick Facts on Shweyi Zabe Garment Manufacturing Co. Ltd.

Founded: 2000

Total number of employees: 339

Office Staff: 21

Production workers: 318 workers

Ownership: Myanmar

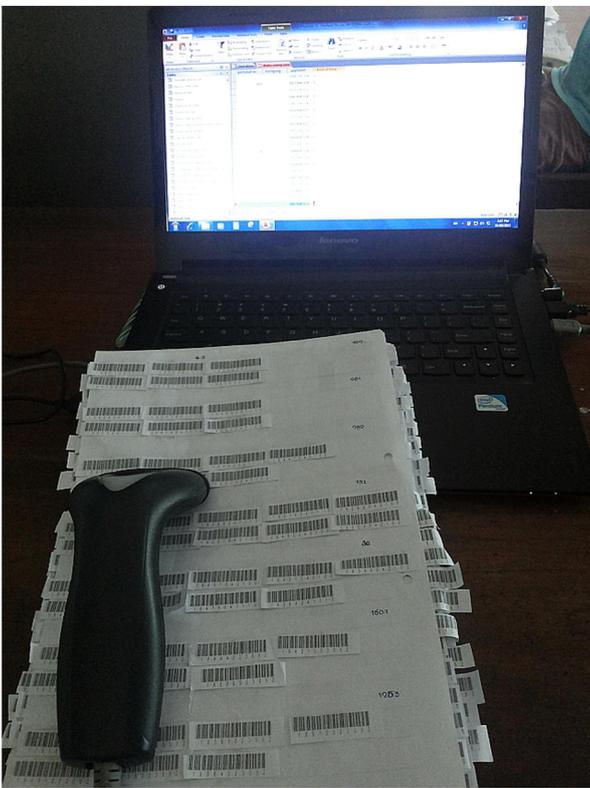
Production mode: CMP

Sewing machines: 396

Product range: Knit products – swim wear polo shirts, T-shirts

Production capacity: 100 000 pieces per month for T-shirts

Markets: Korea and Germany



Software, barcode scanner and labels for bundles

German expert from ESGE and SMART Myanmar SCP consultants training a staff member in the factory



Office staff recording production data



Response: U Soe Than, Director of Shweyi Zabe explains that the current minimum wages system makes it necessary for an owner of a garment factory that he needs to know about the actual productivity of his workers. "I am confident about the software. It gives me the information and I can also discuss with my employees concerning their wages and performance."

In line with Shweyi Zabe's aim of better managing efficiency, the management introduced supplementary measures such as using signage for in-line communication.

On the social standards side fire safety training is a regular activity in Shweyi Zabe.

In-line communication

Mechanic needed



Need work



Ready to move



Tailors choose the particular sign and place it in the thread stand. This gives inline in-charge and mechanics a clear message of needed support.

Fire Safety

In August 2014 the factory shut down its complete production for a fire safety workshop in the factory which all employees had to attend. The local fire fighter department of the Insein Fire Brigade of the Ministry of Internal Affairs trained the staff on fire safety issues, emergency procedures in case of fire and demonstrated fire safety equipment.



At first the theoretical part was learned...



...followed by practical demonstration and hands-on training