



PROJECT IMPLEMENTATION PLAN

Reference No.: 813

Date of Issue	17 April 2026
Project Code	24-CP-64-SP-DMP-C-MY01
Title	Demonstration Project on Digital Kaizen for SMEs in the Manufacturing Sector
Timing	17 April 2026–31 December 2026
Hosting Country(ies)	Malaysia
Venue City(ies)	Kuala Lumpur
Modality	Hybrid In-country
Implementing Organization(s)	Malaysia Productivity Corporation and APO Secretariat
Participating Country(ies)	Malaysia
Overseas Participants	Not applicable
Local Participants	Not Applicable
Closing Date	Not Applicable
Remarks	Not Applicable

Objectives	Establish demonstration companies on digital kaizen in Malaysia's manufacturing sector to enhance productivity, showcase the measurable benefits of digital kaizen methodologies and practices to manufacturing enterprises, build the capacity of digital kaizen experts, and disseminate best practices and case studies that can be replicated and adapted by other APO member economies.
Rationale	The integration of digital tools and technologies with kaizen principles is essential for developing advanced manufacturing systems that enhance real-time data utilization, process efficiency, and quality management. Increasing awareness among SMEs of the importance and effectiveness of digital kaizen is a key enabler of the digital transformation (DX) journey.
Background	<p>The manufacturing sector is a key pillar of Malaysia's economic growth. According to the Ministry of Economy, Department of Statistics Malaysia, in 2024, the service and manufacturing sectors contributed to the growth of 82.5% of the country's total GDP and there were 2.40 million persons engaged in this sector during December 2024. The Industrial Master Plan 2030 Manufacturing-related Services Industry strengthens Malaysia's manufacturing-sector initiatives, and the 13th Malaysia Plan provides critical strategic directions for strengthening competitiveness, resilience, and sustainability. Despite the sector's strong performance, several structural challenges persist, particularly in relation to digital adoption.</p> <p>With the support of a Special Cash Grant from the Government of Japan, this project will establish demonstration companies in Malaysia to serve as benchmarks, showcasing demonstrable results and promoting the wider adoption of digital kaizen, and leveraging DX through best practices, successful applications, and measurable performance outcomes.</p>
Topics	Assessment of manufacturing processes, productivity performance, and management practices; Training of productivity practitioners; Integration of the Digital Kaizen Guidebook in demonstration companies; Awareness and promotion of digital kaizen for digital adoption and productivity enhancement; and Recommendations for sustainability and replication.
Outcome	Establishment of benchmarks for enhancing productivity through the application of digital kaizen practices, strengthened knowledge and institutional capacity of demonstration companies and NPO staff, and improved production efficiency among participating companies.
Qualifications	<p>This project will be implemented in the following demonstration companies:</p> <ul style="list-style-type: none"> - UEDA Plating (M) Sdn Bhd - Sunchirin Industries (Malaysia) Berhad

Please refer to the implementation procedures circulated with this document for further details.



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