

Factors Affecting Productivity Improvement in the Manufacturing Sector of OMAN

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Abstract

Since manufacturing is a key sector in Oman, efforts should be made to improve its productivity. The need for such efforts is becoming increasingly important in the present era of globalization. However, manufacturing organizations can face obstacles that make productivity improvement efforts ineffective or even prevent improvement operations. This research summarizes a study investigating the internal obstacles restraining productivity improvement and the causes of unsuccessful productivity improvement programs in the manufacturing sector of Oman. It also studies the relationship between organization size and type with these obstacles and causes. Data required for this study were collected through a questionnaire from production and operations managers at 51 manufacturing organizations of different sizes. The results of applying factor analysis to a data set of 13 obstacles showed that these obstacles can be reduced into three major factors which directly relate to poor financial and legislative procedures, poor administration, and poor human elements. Other results of 15 causes of unsuccessful productivity improvement showed that these causes can be reduced into three major factors which directly relate to poor management, employee dissatisfaction, and lack of proper training.

Therefore, in order to improve the chance of conducting a successful productivity program, the following actions are recommended:

People appointed as managers of productivity improvement programs should possess good management skills including the ability to plan, organize, coordinate, and control program activities. Organizations should find ways and means to improve their employees' job satisfaction. Employees at all levels should be provided with effective and sufficient training. Organizations should practice excellent financial and legislative procedures. Employees should have enough time and resources to generally improve productivity.

The finding of this study is of value to production and operations managers of manufacturing organizations who plan to carry out a productivity improvement program.