EXECUTIVE SUMMARY

This management field research project focuses on the reduction of tobacco dust waste at the Ceylon Tobacco Company PLC's primary manufacturing department. Ceylon Tobacco Company is a subsidiary of British American Tobacco, which is based in the United Kingdom. The company is Sri Lanka's only legally licenced manufacturer and distributor of cigarettes, with a 2020 revenue of more than 130 billion LKR. Additionally, the company is one of the largest contributors to the government's tax revenue, with a contribution of over 100 billion LKR in 2020. This places the company in a unique position of importance because its performance has an effect on government revenue. The primary raw material for the company's products is tobacco leaves, and with the current legal and regulatory environment, harvesting tobacco sustainably in the country has become increasingly difficult. As a result, any type of tobacco waste represents a potential loss for the company. As a result, the author has identified tobacco waste reduction as a top priority for the company. The primary manufacturing department is where tobacco is cut and blended prior to being used in the final cigarette manufacturing process, and this project focuses on tobacco dust waste reduction in this department.

The primary manufacturing department operates on a process-based model based on line production, in which each process feeds into the next. The author recognised that any of these processes could result in the production of tobacco waste and thus set out to identify the department's problem areas with the assistance of the primary manufacturing department's staff. Further analysis revealed that the tobacco dust waste levels exceeded the acceptable level, resulting in an annual loss of over ten million LKR. Therefore, the reduction of tobacco dust waste would undoubtedly result in an increase in revenue for the company. The team discovered that a high volume of unplanned stops and lengthy durations of unplanned stops were contributing to this issue. Additionally, tobacco waste was identified as a result of improper tobacco retrieval in certain processes. Additionally, the analysis revealed that maintenance-related processes and scheduling were being performed inefficiently, which contributed to the issue. Finally, the author identified a lack of KPIs in specific areas and training deficiencies as contributing to the overall problem. Factors outside the scope of the team's project, particularly those involving strategic decision making, were omitted from the analysis.

The author then conducted a literature review to ascertain the theoretical underpinnings of the identified subproblems. The literature was combed through to ascertain the solutions proposed by scholars to similar issues in the tobacco and manufacturing industries. Three drivers were identified that contribute to tobacco waste namely machinery maintenance, production processes and training and competency development. A study framework was developed based on the drivers identified during the problem analysis phase, and the insights gleaned from the literature review were used to develop solutions for the root causes identified. When providing solutions, the study framework areas have been identified as management field research project components.

The primary objective of the project is to reduce tobacco dust waste generation in primary manufacturing from 1.32 percent to 0.5 percent of total inputs. To accomplish the set target value, three project components have been identified, and solutions with associated action plans have been developed for each of these project components. The solutions to the three components are primarily to implement new preventive maintenance processes, to enhance existing corrective maintenance processes, to implement a tobacco sieving mechanism, and to conduct a training need analysis using a skill matrix to optimise employee training. The project costs have been identified in relation to each project component, and resource allocation has been determined in relation to the company's available resources that can support the project's implementation.

The project's benefits have been classified as tangible and intangible, and valuations for each have been calculated and included. After that, the author undertook a benefit-cost analysis of the project to establish its viability. The project's outputs and outcomes are discussed, with the primary output being a decrease in tobacco dust generation in the company's primary manufacturing department. Then, the author's recommended solutions to the project are justified by the literature. This instils confidence that the recommended solutions have been tried and tested and are thus capable of addressing both the primary and secondary issues. Additionally, the author made recommendations to the company regarding areas to consider when implementing the solutions, ensuring their smooth and effective implementation. These recommendations will ensure that the resources necessary to implement the proposed solutions are used efficiently. The project concludes with a set of long- and short-term recommendations for reducing tobacco dust waste generation in Ceylon Tobacco Company PLC's primary manufacturing department.