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IMPLEMENTATION OF LEAN MANUFACTURING IN SMALL AND MEDIUM ENTERPRISES: EVIDENCE FROM UZBEKISTAN

Abduraxmanova Fotima Odilbayevna
Manager of Central Registry and Exam Unit
Management Development Institute of Singapore in Tashkent

Abstract

Small and medium enterprises (SMEs) play a critical role in economic development, particularly in emerging economies. Despite the widely recognized benefits of Lean Manufacturing (LM), its adoption among SMEs remains limited and uneven. This study examines the level of awareness, implementation barriers, success factors, and performance outcomes of LM practices in manufacturing SMEs in Uzbekistan. A quantitative research design was employed, and primary data were collected through a structured questionnaire survey of 100 SMEs that have implemented or attempted to implement lean practices. The findings reveal that SMEs predominantly apply basic lean tools such as 5S, Kaizen, and standardized work, while advanced lean techniques remain underutilized. Key barriers include limited lean knowledge, resistance to change, and reliance on traditional management systems. Nevertheless, firms that successfully implemented LM reported significant improvements in productivity, quality, cost reduction, and waste elimination. The study provides empirical evidence from an under-researched transition economy and offers practical insights for SME managers and policymakers seeking to enhance competitiveness through lean practices.

Keywords: Lean Manufacturing, SMEs, Operational Performance, Continuous Improvement, Uzbekistan.

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Introduction

Small and medium enterprises (SMEs) are widely acknowledged as a cornerstone of economic growth, employment generation, and innovation, particularly in developing and transition economies. In Uzbekistan, SMEs constitute a substantial share of industrial output and employment; however, many firms continue to face challenges related to inefficiencies in production processes, limited managerial capabilities, and increasing competitive pressure in both domestic and international markets.

Lean Manufacturing (LM) has gained global recognition as an effective operational strategy aimed at improving efficiency through waste elimination, continuous improvement, and customer value creation. Recent studies confirm that LM adoption can lead to improved productivity, reduced costs, enhanced quality, and better delivery performance when implemented effectively (Chiarini and Kumar, 2021; Dora et al., 2022). Despite these potential benefits, SMEs often struggle to implement lean practices due to constraints related to financial resources, skills, and organizational culture (Sony et al., 2022). In Uzbekistan, LM was formally introduced through government-supported productivity and modernization initiatives; however, the diffusion of lean practices among SMEs remains limited. Empirical academic research examining lean implementation outcomes in Uzbek SMEs is scarce, creating a gap in evidence-based understanding of how LM functions within this specific national and institutional context. Addressing this gap is particularly important given the growing emphasis on SME competitiveness and industrial modernization. This study aims to investigate Lean Manufacturing implementation in Uzbek manufacturing SMEs by addressing the following objectives:

1. To assess SMEs' understanding and adoption of lean manufacturing practices;
2. To identify key barriers and success factors influencing LM implementation;
3. To evaluate the perceived operational benefits of lean adoption.

Research Methodology

This study adopts a quantitative research approach supported by descriptive statistical analysis. A structured questionnaire was selected as the primary data

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collection instrument due to its suitability for capturing standardized responses from a large number of organizations.

Data Collection

Primary data were collected from 100 manufacturing SMEs operating in Uzbekistan. The target firms had either implemented LM practices or were in the process of adopting lean principles. The questionnaire was distributed via email, professional networks, and direct communication with firms associated with business development organizations and industry associations.

The questionnaire consisted of four main sections:

- Company profile and operational characteristics;
- Awareness and understanding of Lean Manufacturing;
- Barriers and success factors affecting LM implementation;
- Performance outcomes and benefits of lean adoption.

To enhance reliability and clarity, the questionnaire was prepared in both English and Russian, and a pilot test was conducted with a small group of SME managers prior to full-scale distribution.

Data Analysis

The collected data were analysed using descriptive statistical techniques, including frequencies, percentages, and mean values. The analysis focused on identifying patterns of lean tool adoption, dominant implementation challenges, and perceived operational improvements resulting from LM practices.

Results and Discussion

Understanding and Adoption of Lean Manufacturing

The findings indicate that most respondents possess a general understanding of Lean Manufacturing, primarily associating it with waste reduction and continuous improvement. However, fewer respondents viewed LM as a comprehensive management philosophy integrated into strategic decision-making. This suggests that lean adoption among SMEs remains largely operational rather than strategic, which is consistent with recent SME-focused lean studies (Kumar et al., 2021; Tortorella et al., 2022). In terms of lean tools,

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5S and Kaizen were the most widely implemented practices, followed by standardized work and the PDCA cycle. More advanced tools such as value stream mapping, total productive maintenance (TPM), Heijunka, and Jidoka were adopted by a relatively small proportion of firms. This selective adoption reflects SMEs' preference for low-cost, easily implementable practices, a pattern also observed in other emerging economy contexts (Dora et al., 2022; Núñez-Merino et al., 2023).

Barriers and Success Factors

The results identify several critical barriers to Lean Manufacturing implementation. The most frequently reported challenges include dependence on traditional management systems, limited knowledge and expertise in lean methodologies, employee resistance to change, and insufficient financial resources. These barriers emphasize the human and organizational dimensions of lean implementation rather than purely technical limitations, supporting findings from recent lean-SME research (Sony et al., 2022; Antony et al., 2023). Conversely, respondents highlighted strong top management commitment, availability of financial support, clear strategic objectives, and effective communication as key success factors. Leadership involvement was identified as particularly important in overcoming resistance to change and sustaining continuous improvement initiatives. This aligns with recent empirical evidence suggesting that leadership style and organizational culture are decisive factors in lean success (Tortorella et al., 2021; Tortorella et al., 2022).

Benefits of Lean Manufacturing Implementation

Firms that successfully implemented LM practices reported several positive performance outcomes. The most significant improvements were observed in productivity, cost reduction, waste elimination, and product quality. Inventory reduction and delivery reliability also improved, although improvements in flexibility and setup time reduction were reported less frequently. These findings indicate that even partial implementation of lean practices can generate measurable operational benefits for SMEs. Similar results have been reported in recent studies examining the relationship between lean adoption and SME

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performance (Henao et al., 2022; Zhang et al., 2024). The results reinforce the argument that SMEs do not need to implement full-scale lean systems to achieve meaningful improvements, provided that lean tools are applied consistently and supported by management.

Conclusion

This study provides empirical evidence on Lean Manufacturing implementation in manufacturing SMEs in Uzbekistan, an under-researched transition economy. The findings demonstrate that while SMEs face substantial challenges in adopting LM—particularly related to limited knowledge, cultural resistance, and managerial constraints—significant operational improvements are achievable. The study contributes to the growing body of contemporary lean-SME research by offering context-specific insights and practical implications. For SME managers, the results highlight the importance of leadership commitment, employee involvement, and continuous training. For policymakers, the findings suggest the need for targeted lean education programmes and institutional support mechanisms tailored to SMEs.

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