

Sustainable Development in Central America and the Dominican Republic

Company: Laboratorios LAVET
Country: Guatemala
Project: TMF Program: Poverty reduction and environmental improvement.
An Integral Sustainable Development strategy.
Year: 2006

THE COMPANY

Laboratorios LAVET was founded in 1976 in Guatemala, and ever since it has been developing and manufacturing products for veterinarian use – specifically for cattle, porcine and poultry. Its commitment to quality and continuous improvement has been confirmed with the ISO 9001:2000 certification it holds.

The interest of getting involved in the integral sustainable development program responds to the aspiration to internal strengthening foreseeing growth through new lines of products and new markets. The administrative offices and laboratory are located at Zone 11, Guatemala City. Their web page is: www.laboratorioslavet.com



PRODUCTS AND MARKETS

The main products are the vaccines for cattle, porcine and poultry which represents most of the sales.

Their products are commercialized in Guatemala, El Salvador, Honduras, Nicaragua Costa Rica and Panama. It is expected to expand exports to other markets like Mexico, South America, Africa and Asia.

PROJECT DESCRIPTION

The methodology to implement the Sustainability Strategy in the company started with the conceptualizing of the sustainable development system –at which stage an internal and external organizational analysis took place to determine its sustainability profile, as well as its options for improvement in the following dimensions: environmental (cleaner production), economic (productive efficiency and financial management) and social (internal and external projection besides health and occupational safety).

Later on, the company's strategic guidelines were defined within the sustainable development frame. Then, the action plans in each of the dimensions were established – as well as indicators and monitoring mechanisms to guarantee compliance of the strategic established objectives.

Subsequently, training and technical assistance were provided to support the company in implementing the action plans. This way, it was intended to fulfill the transfer of knowledge to the organization; and also, the follow up oriented towards the achievement of the expected results was developed.

MAIN ATTAINED RESULTS

Strategies, policies and plans

New approaches were defined within the company’s strategic framework:

COMPANY’S MISION

At *Lavet* laboratories we contribute to the development of animal health by increasing the efficiency in the businesses of our clients through the manufacturing and sale of veterinarian products of worldwide quality and excellent service. We are a multidisciplinary, proactive and innovative work team with human quality that works within a responsible, ethical, loyal, fair and respectful framework ensuring our clients’ and collaborators’ satisfaction; and keeping a relationship of mutual welfare with the environment and the community.

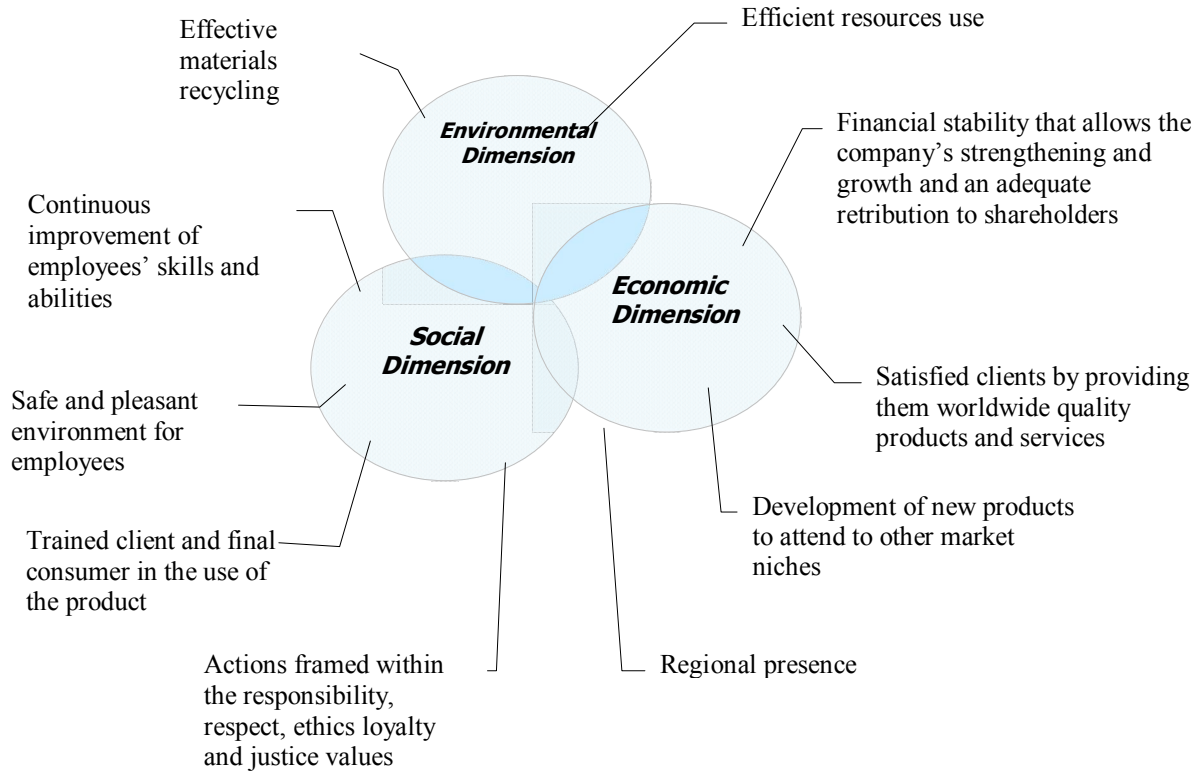
COMPANY’S VISION



In 5 years, *Laboratorios Lavet* will be a highly competitive company that participates in national and international markets and our Brand will be prestigious worldwide. We will extend our products lines and will make inroads into new Biologicals to be used in other species. We will strengthen the manufacturing and sales of Chemical – Pharmaceutical products for veterinarian use. We will rely on a team of collaborators who are motivated, efficient, dedicated and trained to aim at excellence.



COMPANY VALUES

- Responsibility
- Ethics
- Loyalty
- Justice
- Respect

COMPANY’S SUSTAINABILITY POLICY



Initial diagnosis	Achieved improvements
ECONOMIC DIMENSION	
Financial Management	
<ul style="list-style-type: none"> There is no integrated income and expenses planning. 	<ul style="list-style-type: none"> A financial planning model was set up which incorporates both incomes as well as expenses – taking into account foreseen sales and which generates the cash flow projected for that period. With the model, the current situation is projected, yet it may be applied to future periods.
Good Manufacturing Practices (GMP)	
<ul style="list-style-type: none"> There are Good Manufacturing Practices which are not implemented in the production. Problems in how corrections to the laboratory registers are done. Not all floor-wall and wall-wall unions are rounded. Lack of a hand washing sink at the plant's entrance. Lack of signs stating when and how to adequately wash one's hands. <div style="text-align: center;">  </div> <ul style="list-style-type: none"> There is no hand disinfectant at the work stations. Lack of order in some inspection processes. Unlabelled chemical products. Need to train on topics of innocuousness related to Good Manufacturing Practices 	<ul style="list-style-type: none"> Training was provided in the topic of Good Manufacturing Practices and suggestions were given to their adequate application. A method to make corrections in a clear and standardized manner was suggested. It was immediately implemented. The process of rounding the missing floor-wall and wall-wall unions started. A quote for a pedal hand washing sink was requested and its purchase and installment is expected. Signs were made showing when and how to do hand washing. <div style="text-align: center;">  </div> <ul style="list-style-type: none"> It was recommended to have alcohol-gel available for employees at each station. The company developed its own product and is on the last trails before starting its use. A significant improvement was established regarding order. All chemical products were labeled which prevents confusion when applying them. An extensive training was provided which involved relevant topics for the company's activities, related to Good Manufacturing Practices.

 <ul style="list-style-type: none"> ▪ The procedures and cleaning, disinfection and pest control records are not complete. 	 <ul style="list-style-type: none"> ▪ Jointly with the company, procedures were designed and the control records prepared both for cleaning and disinfection, as well as pests control.
<p>ENVIRONMENTAL DIMENSION</p>	
<p>Raw materials and products management</p>	
<ul style="list-style-type: none"> ▪ Inadequate storage of raw and packing materials, as well as of product itself. 	<ul style="list-style-type: none"> ▪ Measures were taken to improve the storing of raw and packing materials and products by placing them on platforms and isolating them from the walls. Besides, the platforms and the storage area were painted. Wooden platforms were going to be replaced by plastic ones.
<p>Energy efficiency and electrical consumption</p>	
<ul style="list-style-type: none"> ▪ The steam isolation system is in poor conditions. ▪ The boiler has been used for several years and therefore does not provide the ideal efficiency. ▪ There is no monitoring of the electrical consumption or maximum demand. ▪ There is no planning in the use of high electrical consumption. 	<ul style="list-style-type: none"> ▪ The company started the revision of the machinery and pipes that constitute the steam system to ensure that they are adequately isolated and prevent energy loss from heat. ▪ It was recommended to consider a change to a more modern and efficient boiler in the short term. ▪ Forms were provided to monitor electrical consumption, as well as maximum demand, to then analyze and identify reduction options in consumption and demand. ▪ It was recommended to plan machinery use with the purpose that not all are operated simultaneously resulting in a reduction in the maximum demand. In the analysis done by the company, it was determined that there is potential to annually save approximately \$1,300.00 USD in this aspect.

SOCIAL DIMENSION	
Health and Occupational Safety	
<ul style="list-style-type: none"> ▪ Insufficient lighting in some work areas. ▪ Insufficient managing process for the Formaldehyde. ▪ Lack of escape routes signs. 	<ul style="list-style-type: none"> ▪ Minimal lighting levels are recommended for each specific area, and the company started the implementation of these improvements in this matter. ▪ It was suggested to extend the managing process for the Formaldehyde with all handling details. ▪ It was recommended to clearly identify the evacuation routes of all areas to avoid accidents during an emergency.
Internal and External Social Projection	
<ul style="list-style-type: none"> ▪ Weaknesses in the Organizational Climate assessment instrument. ▪ Improvements needed in the training and coaching process. ▪ There are considerable aspects that required changes in the structure and variables in the company's performance assessment procedure. ▪ Weaknesses in skills related to the performance management. 	<ul style="list-style-type: none"> ▪ A new tool was revised, validated and approved to assess Organizational Climate which will be used from now on. ▪ Improvements were made in the training and coaching procedures and a register was set up to evaluate the effectiveness of received training. ▪ The procedure was modified and a new instrument was designed for performance assessment – which was applied – receiving more and better results than before. ▪ Training was provided on topics related to assessment and effective performance management.

Phrase by the Entrepreneur

“For us, it was very beneficial to have CEGESTI’s professionals’ consultancy as we advanced in very specific topics such as electrical energy, Good Manufacturing Practices, Human Resources and budgeting and by so helping us to consolidate some processes that had already been started, but that for whatever reason we had not concluded.

We congratulate CEGESTI’s team for their professionalism and devotion to the program; be certain that you have planted a seed that in the short term will be giving its fruits to benefit our community, collaborators and the enterprise.”

Carlos Motta
General Manager

