

## KAIZEN as a Strategy

# Continuous Improvement re-evaluates every part of an Organization

From Masaaki Imai

Toyota Production System was successfully built up using KAIZEN Philosophies lasting for decades until today. The reason for this sustained success is that everybody in the company, starting from top management down to the workers, is committed. In this article I wish to advise that KAIZEN, when applied under firm top management commitment, can be turned into a corporate strategy to make an organization far more competitive and profitable, given today's global business environment.



Masaaki Imai, Founder of KAIZEN Institute, Author of 'KAIZEN' and 'GEMBAKAIZEN'

In my first book 'KAIZEN, The Key to Japan's Competitive Success', which introduced the Kaizen concept to the world for the first time, I wrote "The essence of Kaizen is simple and straight forward: Kaizen means improvement involving

everyone, including both managers and workers. The Kaizen philosophy assumes that our way of life - be it our working life, our social life, or our home life, deserves to be constantly improved."

The book also compared Japanese and Western approaches and pointed out "Kaizen signifies small improvements made in the status quo as a result of ongoing efforts, while innovation involves drastic improvements in the status quo as a result of a large investment in new technology and/or

equipment". In hindsight, I am afraid that these statements imprinted in the mind of many readers that Kaizen deals with small improvements while innovation is a big and dramatic change. One of the most urgent and important tasks for organizations including public offices and private organizations (both manufacturing and service sectors) is a strategy to make a radical transformation and meet the challenges of globalization and IT revolution. Kaizen applied as a strategy involves everyone, every function and every level of management on a long-term basis. It is not a flavor of the month. It is not a collection of various small patches of improvements carried out without focus. Kaizen does not mean improvement for improvement's sake. It means improvement

to meet the organizational target. Kaizen is a long-term strategy, for a minimum of three years initially, to be repeated regularly. The strength of Toyota Motor Corporation is that it has been carrying out KAIZEN strategies to this day since it was started in the middle of the 20th Century. In the following series of articles I will be writing about the reasons why the introduction of KAIZEN strategies is one of the most urgent and important tasks for management, and how to succeed in building a world-class organization. ■

## Topics

**KAIZEN as a Strategy**

**Cutting Changeover Time with SPEED**

**Global Markets: KAIZEN as a world language**

**Global KAIZEN Standards**

**KAIZEN-Tours: worldwide benchmarking**

**Schedule: KAIZEN Events with Masaaki Imai 2008**

## KAIZEN Original Definition

改 KAI Change  
善 ZEN Good (for the better)  
改善 KAIZEN® = „Continual Improvement“



## Cutting Changeover time with SPEED

Nowadays a company has to be rapid, flexible and customer orientated. Clients expect perfect quality, short delivery time and a reasonable price. Time consuming changeover of machines often forms an obstacle meaning it is not always possible to be flexible to a customer's demands. Lothar Bildhäuser, KAIZEN Institute Germany Consultant developed the SPEED method to reduce changeover time by 50 percent or more - a good opportunity to give your company a competitive edge. Many companies accept the handicap caused by long changeover times. They deal with high batch sizes, low flexibility and a poor availability of machines as an inescapable fact. With KAIZEN methods these changeover times can be reduced significantly. The tool SPEED with it's five steps is successfully applied in many companies. The steps are:

- S** = standardization
- P** = process optimization
- E** = elimination of waste
- E** = evolution in people and techniques
- D** = durable training

## Changeover Process: Continuous Improvement



**Lothar Bildhäuser , KI Germany Consultant, (photo above): “It is possible to reduce equipment changeover time from hours to less than 10 minutes. The key to success is sustained analysis and continuous improvement in every step. SMED (Single Minute Exchange of Die) enables companies to increase flow, decrease inventories and to serve their customer requirements through flexibility and speed.**

Lothar Bildhäuser, an expert in reducing changeover time, advises how **SPEED** and **Seven steps** can succeed in reducing set-up time:

**Step 1:** Form a team and allocate responsibilities. You need the machine setters, a documentation team for writing down time and distances and an observation team to find problems, waste and room for improvement.

**Step 2:** Machine setters complete the first changeover as usual to measure the current state. It can last some hours and it may be heavy going.

**Step 3:** Analysis and improvement. The timeline shows the completed

changeover process with registered times and steps. The team creates a new road map for a better process.

**Step 4:** First improvements will be applied. Solutions for avoiding waste and problems are put into practice, e.g. better tool kits for easier handling.

**Step 5:** Machine setters repeat their changeover process with the new scenario.

**Step 6:** Analysis and improvement. Introduction of Standard Operating Procedures. Training of people.

**Step 7:** Creating a set-up board for visualization and monitoring. ■

## Learning by Doing: GEMBA Workshop



The ‘GembaKAIZEN set-up’ workshop is a unique opportunity to experience first hand reductions in set-up time. This focused training enables the participants to acquire the methodologies to identify and eliminate wasted time, material and human resources. After a short introductory training session the attendees go to Gemba to start applying their learning. Participants observe the changeover process and record key data including walk time, distances traveled of both the people and the equipment required conducting the set-up. The team then discusses the waste they have observed and possible improvement ideas and how to implement a new process. The team implements their improvements and observes the new process. The new process will result in significant time saved, however the teams will then also suggest further ways to reduce waste and make improvements. After the 3<sup>rd</sup> set up process, the time is reduced by a minimum of 50 %.

## Do you speak KAIZEN?

A great number of companies and organizations are busy with global activities. Therefore it is necessary that people from different countries all over the world, who are working for one company, speak one language to exchange information. It is not only a language like English that is needed to understand each other. There is also a language of standards and philosophies required. KAIZEN Institute Consulting Group Ltd. with its worldwide activities offers support to every company or organization to learn how to organize work and information, how to build up standards and flows and how to avoid muda (Japanese word for waste). Their portfolio covers consulting and education of management and employees.

KAIZEN College will be established worldwide in the next few years. It offers



*KAIZEN College Romania: how to improve working environment?*

theoretical and practical training. A large range of subjects are covered including KAIZEN basics, kanban, flow, just in time, total service management etc. People have the opportunity to gain qualifications, such as KAIZEN coach or KAIZEN manager. These experts will then be responsible for spreading KAIZEN philosophies within an organization. Workshops and in-house education with highly qualified experts from KAIZEN Institute is also possible.



*Successful start for KAIZEN College in India*

KAIZEN College started in Central Europe ten years ago. Last year India and Romania opened their colleges, offering training programs. Carsten Otto, KICG Operations Director, and his colleague Vijay Rai, KI India Consultant, taught KAIZEN Basics to future KAIZEN practitioners in India. People enthusiastically practiced muda hunting and developing good standards. KAIZEN knowledge is a good foundation for global business relations. ■

## KAIZEN: a Challenge

**‘Supporting change through people development and process improvement...’**

**...This is our Mission and to make it an everyday reality we are trying hard!**

**We base our efforts on the development of a Meta Kaizen Model called the KMS – Kaizen Management System that can be used by any company to develop their own customized Continuous Improvement (CI) System.**

**“It is not the strongest of the species that survive, nor the most intelligent, but the most responsive to change!”**

**Charles Darwin wrote this 150 years ago and he was right because Kaizen is a Principle of the Universe...we at KI are relying on powerful principles for helping the best companies to be more and more responsive to change.**

**It is a big pleasure for us to start this Global Kaizen Forum and we will strive for this to be an important “Change Agent” that will contribute more and more for development of Kaizen and Lean companies all around the world... We will Keep in Touch...**



Euclides Coimbra,  
CEO, KICG

## KI Consulting Group Best Lean Practices World-Wide Coverage

**Masaaki Imai used to say Kaizen Institute was the smallest global company - this was 23 years ago when he introduced the KAIZEN concept to the western world. While he spread this Key to Japan's Competitive Success, he partnered with a few individuals to put his concepts into practice, helping companies help themselves within Europe and North America.**

**We've come such a very long way in this time, ensuring the retention of the highest quality consultants while increasing the quality of our services world**



*Risa I. Cox, Executive Vice President, and Bud H. Cox, President, KICG*

**wide. Our clients continue to raise the bar, demanding the highest quality, while expecting**

**standardized services throughout their organization - locally and globally. Today, there is no continent where KI cannot provide our services with the same, consistent quality of delivery. Through our regular training programs, which include cutting-edge product development - we focus on developing our people to better serve our clients' needs. It's the endless PDCA cycle we live and work within, in the pursuit of unattainable perfection. We continue to improve to be able to help fulfill your requirements.**

## KAIZEN Philosophy for better understanding



Traveling around the world Masaaki Imai shares his KAIZEN know how and experiences with people. He has spread the KAIZEN Philosophy to every continent and he is still working on it. His advice is addressed to everybody - from top management to office people and workers. Highlights this year will be the 1st International KAIZEN Conference in Prague and two KAIZEN Tours in Japan. Please find below the interim 2008 schedule of events with Masaaki Imai or find the latest information at [www.kaizen.com](http://www.kaizen.com).

### KAIZEN Tours

#### Chance for benchmarking worldwide

Have you ever been to the Gemba? Gemba is the Japanese word for 'the place where things happen'. Gemba is the destination of KAIZEN tours. It is the only place where you will be able to experience how world class companies improve their performance to survive worldwide competition. You can

experience the culture of KAIZEN on the shop floor and in the offices, and you will see the way successful companies work. Tour guides are experienced KAIZEN experts. They will give you an initial overview and explain what you see. You can discuss your observations with other tour guests and exchange experiences. KAIZEN Tours are hosted by successful, international operating companies. Please find further information at [www.kaizen.com](http://www.kaizen.com) ■

### 2008 KAIZEN-Events with Masaaki Imai

When?	What?	Where?
Jun 16 to 21, 2008	Benchmarking Tour / Japan	
Sep or Oct 2008	1 <sup>st</sup> Internat. KAIZEN Conference / Prague (Czechia)	
Oct 27 to Nov 1, 2008	Benchmarking Tour / Japan	
Nov 17 and 18, 2008	KAIZEN Congress / Vienna (Austria)	
Nov 19, 2008	KAIZEN Congress / Zurich (Switzerland)	
Nov 25 and 26, 2008	KAIZEN Congress / Wroclaw (Poland)	



For latest informations please look at [www.kaizen.com](http://www.kaizen.com)

## College

We train your employees in KAIZEN, TPM, JIT, total service management, value stream design, total flow management.

Qualifications available: KAIZEN Practitioner, KAIZEN Coach and KAIZEN Manager.

We offer Benchmarking with world class companies

More information, schedule and price list available from our service hotline:

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[www.kaizen.com](http://www.kaizen.com)

### Destination: GEMBA



KAIZEN tours: unique opportunity to experience KAIZEN live.

## IMPRESSUM

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