



**The Definition of Kaizen:
The Japanese Philosophy of
Constant Improvement**

Introduction to the Kaizen Philosophy

Kaizen is defined as improvement. It is a philosophy of continuing improvement that should be considered, not only at work, but at home as well. When applied to the workplace Kaizen means continuing improvement that involves all employees - from executives to laborers, and the managers in between.

The Kaizen strategy is undoubtedly the driving force for Japanese managers, and it is vital to their success. Following Japan's successful lead, the Kaizen philosophy has been implemented in organizations around the world. It has been used as a way to **improve production values** as well as **improve employee morale and safety**.

The simple nature of the Kaizen philosophy may be applied to any procedure in the workplace. However, we are aware that every organization has specific needs.

Kaizen - The Definition

Kaizen (Ky ' zen) is a Japanese term that means continuous improvement, taken from words 'Kai', which means continuous and 'zen' which means improvement. Some translate 'Kai' to mean change and 'zen' to mean good, or for the better.

Kaizen is one of the most commonly used words in Japan. It is used, not only in the workplace, but in popular culture as well. Kaizen is a foundation on which companies are built. Kaizen is such a natural way for people in Japan to think that managers and workers often do not make a conscious effort to think “Kaizen.” They just think the way they think - and that way happens to be Kaizen!

The Kaizen concept is the basic difference between how change is understood in Japan and how it is viewed in the West. Western companies often reject Kaizen without really knowing what it is about. Because of this, American companies often go years without really changing. Japanese companies, on the other hand, are in a constant state of change and improvement.

If you are aware of the Kaizen philosophy and strive to implement it, not a day should go by without some kind of improvement being made somewhere in the company. After WWII most Japanese companies had to start over. Everyday brought new challenges, and rising to those challenges resulted in progress. Simply staying in business required a step forward everyday, and this made Kaizen a way of life.

Constant Improvement

In any business, management creates standards that employees must follow to perform the job. In Japan, maintaining and improving standards is the main goal of management. If you improve standards, it means you then establish higher standards which you observe, maintain and then later try to improve upon. This is an unending process. If you do not maintain the standard, it is bound to slip back, giving it the “two steps forward, one step back” effect. Lasting improvement is achieved only when people work to higher standards. For this reason, maintenance and improvement go hand in-hand for Japanese managers.

Generally speaking, the higher up the manager is, the more he should be concerned with improvement. At the bottom level, an unskilled laborer may spend the day simply following instructions. However as he becomes better at his job, he begins to think about ways to improve, or make his job easier. In doing this, he finds ways to make his work more efficient, thus adding to overall improvement within the company.

The value of improvement is obvious. In business, whenever improvements are made, they are eventually going to lead to better **quality and productivity**. Improvement is a process. The process starts with recognizing a need, and the need becomes apparent when you recognize a problem. Kaizen puts an emphasis on problem-awareness and will lead you to the identification of problems.

Problem Solving

Where there are no problems, there is no potential for improvement. When you recognize that a problem exists, Kaizen is already working. The real issue is that the people who create the problem are often not directly inconvenienced by it, and thus tend to not be sensitive to the problem. In day-to-day management situations, the first instinct is to hide or ignore the problem rather than to correct it. This happens because a problem is well, a problem! By nature, nobody wants to be accused of having created a problem. However if you think positive, you can turn each problem into a valuable opportunity for improvement.

So, according to Kaizen philosophy, when you identify a problem, you must solve that problem. Once you solve a problem, you, in essence, surpass a previously set standard. This results in the need to set a new, higher standard and is the basis for the Kaizen concept.

Standardization

If you don't first set a standard, you can never improve upon that standard.

There must be a precise standard of measurement for every worker, every machine, every process and even every manager. To follow the Kaizen strategy means to make constant efforts to improve upon a standard. For Kaizen, standards exist only to be surpassed by better standards. Kaizen is really based on **constant upgrading and revision**.

Not everything in a process or work environment needs to be measurable and standardized. Sometimes, Japanese factories use a one-point standardization. Each worker performs many tasks, but only one of those tasks needs to be standardized. This one-point standard is often **displayed** in the workplace so that the worker is always mindful of it. After the standard is followed for a while, it becomes second nature to perform the task to meet the standard. At that point, another standard can be added.

Standardization is a way of spreading the benefits of improvement throughout the organization. In a disciplined environment, everyone, including management, is mindful of those standards.

The Suggestion System

Kaizen covers every part of a business. From the tasks of laborers to the maintenance of machinery and facilities, Kaizen has a role to play. All improvements will eventually have a positive effect on systems and procedures. Many top Japanese executives believe that Kaizen is 50 percent of management's job, and really, Kaizen is everybody's job!

It is important for management to understand the workers role in Kaizen, and to support it completely. One of the main vehicles for involving all employees in Kaizen is through the use of the **suggestion system**. The suggestion system does not always provide immediate economic payback, but is looked at as more of a morale booster. Morale can be improved through Kaizen activities because it gets everyone involved in solving problems.

In many Japanese companies, the number of suggestions made by each worker is looked at as a reflection of the supervisor's Kaizen efforts. It is a goal of managers and supervisors to come up with ways to help generate more suggestions by the workers.

Management is willing to give recognition to employees for making efforts to improve, and they try to make this recognition visible. Often, the number of suggestions is posted individually on the wall of the workplace in order to encourage competition among workers and among groups. A typical Japanese plant has a space reserved in the corner of each workshop for publicizing activities going on in the workplace. Some of the space might be reserved for signs indicating the number of suggestions made by workers or groups, or even post the actual suggestion. Another example would be to display a tool that has been improved as a result of a worker's suggestion. By displaying these sorts of improvements, workers in other work areas can adopt the same improvement ideas.



Displaying goals, recognition and suggestions helps to improve communication and boost morale.

Kaizen begins when the worker adopts a positive attitude toward changing and improving the way he works. Each suggestion leads to a revised standard, and since the new standard has been set by a workers own volition, he takes pride in the new standard and is willing to follow it.

If, on the contrary, he is told to follow a standard imposed by management, he may not be as willing to follow it. Thus, through suggestions, employees can participate in Kaizen in the workplace and play an important role in upgrading standards.

In general, Japanese managers have an easier time implementing employee suggestions than managers in the U.S. Japanese managers are more willing to go along with a change if it contributes to any of the following goals:

- ◆ **Making the job easier*** ◆ **Making the job more productive***
- ◆ **Removing drudgery from the job** ◆ **Improving product quality**
- ◆ **Removing nuisance from the job*** ◆ **Saving time and cost***
- ◆ **Making the job safer***

In contrast, U.S. management is almost exclusively concerned with the cost of the change and an economic return on investment.

Process-Oriented Thinking

Another change you will notice with Kaizen is that it generates a process-oriented way of thinking. This happens because processes must be improved before you get improved results. In addition to being process-oriented, Kaizen is also people-oriented, since it is directed at people's efforts. These schools of thought contrast sharply with the result-oriented thinking of most U.S. managers.

In Japan, the process is considered to be just as important as the intended result. In the US, generally speaking, no matter how hard a person works, lack of results will lead to a poor performance review and lower income or status. The individual's contribution is valued only for concrete results.

A process-oriented manager should be people-oriented and have a reward system based on the following factors:

- **Discipline**
- **Participation and involvement**
- **Time management**
- **Morale**
- **Skill development**
- **Communication**

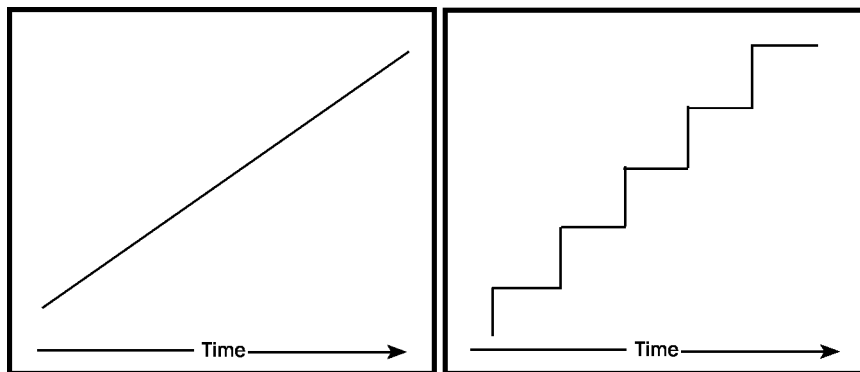
Kaizen vs. Innovation

Kaizen vs. innovation could be referred to as the gradualist-approach vs. the great-leap-forward approach. Japanese companies generally favor the gradualist approach and U.S. companies favor the great-leap-forward approach, which is an approach epitomized by the term innovation.

Innovation is characterized by major changes brought on by technological breakthroughs, or the introduction of the latest management concepts or production techniques. Kaizen, on the other hand is subtle, slow, and maybe even boring. The results of Kaizen are not often immediately visible. Kaizen is continuous, while innovation is a one-shot deal. To further this comparison, innovation is technology and money-oriented whereas Kaizen is people-oriented and process-oriented.

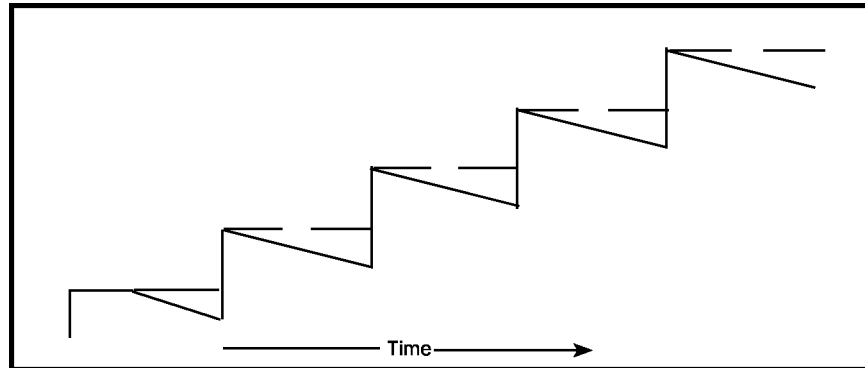
In the U.S., a middle manager can usually obtain support for innovative projects because those projects offer a return on investment that is hard to resist. However, when a factory manager wants to make a small change in the way his workers perform a task, obtaining management support can be difficult. This is so, because it's a small improvement that does not immediately show a large return on investment.

Kaizen does not call for a large investment to implement it, but it does call for a great deal of continuous effort and commitment. To implement Kaizen, you need only simple techniques. Often, common sense is all that is needed. On the other hand, innovation usually requires sophisticated technology, as well as a huge investment.



Ideal Pattern for Kaizen Ideal Pattern for Innovation

If you look at a diagram of Kaizen vs. Innovation, Kaizen creates a constant slope, while innovation creates a staircase effect. Often, innovation does not continue the staircase effect because it lacks the Kaizen strategy to go along with it. Once a new system has been installed as a result of new innovation, it may steadily deteriorate unless continuing efforts are made to maintain and improve it. There is no such thing as static or constant. All processes are subject to deteriorate unless a continuing effort is made to maintain or improve, as you can see in the figure at the top of the next page.



Actual Pattern for Innovation without maintenance

The companies that do nothing but maintenance (no internal drive for Kaizen or innovation) are the ones with the least chance of surviving. Improvement by definition is slow, gradual and often invisible with effects being noticeable only over the long run.

In a slow-growth economy, Kaizen is often a better solution than innovation. The reason is, it is difficult to increase sales by 10% but it's not as difficult to cut production costs by 10%. However, because Western culture is so focused on the short term and immediate results, often the Kaizen approach is not given a chance. The philosophy of Western management tends to follow the mold of: "I don't care what you do or how you do it. I want results- and I want it now!" If profit is the only measure of performance, then management will be reluctant to implement improvements that risk hurting short-term profits, even if the long-term benefits of such change are obvious.

Management Support of Kaizen

Kaizen requires everyone's support. The driving force for keeping Kaizen going is the knowledge that with effort and time, improvements will be made. Management has to make a conscious and continuous effort to support Kaizen, or it will not last. If management can make the commitment of time and effort, the Kaizen strategy will pay off.

One of the major differences between Japanese and Western management styles is the time frames they use to measure success. Japanese management has a long-term perspective while Western managers tend to look for quick results. Unless top management is determined to introduce Kaizen as a top priority and realize that it will take time, any effort to introduce Kaizen to the company will fade before it ever flourishes.

Kaizen starts with the identification of problems. In the Western "hire and-fire" environment, identification of a problem often has a negative connotation. Managers are busy looking for fault with their employees, and those employees are busy hiding the problems. Changing the corporate culture is really the only way to nurture Kaizen. People need to be encouraged to admit problems and try to come up with solutions.

Kaizen's introduction and direction must start with management, but the suggestions for Kaizen should come from the bottom, since the best suggestions for improvement generally come from those working near the problem. Improvements will likely require retraining and company-wide changes, so absolute dedication to Kaizen and constantly improving is necessary to make it work.

The benefits of Kaizen are obvious to those who have introduced it to their companies. Kaizen leads to improved quality, greater productivity, and better morale. When Kaizen is first introduced, many companies see productivity increase by 30 to 100 percent, all without any major capital investments. Kaizen helps lower costs and lets management become more attentive to customer needs because it creates an environment that takes customer requirements into account.

The Kaizen strategy strives to improve the process while paying attention to results. It is the effort that counts when process improvement is the concern. A system should be developed that rewards the efforts of workers and managers, rather than simply giving recognition based on an end result.

Kaizen does not replace innovation. Kaizen and innovation are meant to compliment each other. In an ideal situation, innovation takes off after Kaizen efforts have been exhausted, and Kaizen begins again as soon as innovation is implemented. Kaizen and innovation, together, make progress.

The Kaizen concept is valid not only in Japan, but in other countries. By nature, all people have a desire to improve themselves. Although cultural factors do have an effect on an individual's behavior, that behavior can be changed with some effort. It is always possible to break behavior down into processes where you can establish check points for each process. Because of this, these management tools and philosophies are valid everywhere, regardless of the cultural obstacles that appear to stand in the way.