

Kaizen assignment

[Business](#), [Management](#)



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MANAGEMENT Holecek VaclavSID 311304451 Term 2 2011/2012 TABLE OF
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of management vs. Japanese style of management4 Standardization5 Types
of Kaizen5 Conclusion6 References7 Introduction Today, all manufacturing
industries are trying to increase their productivity and respond to rapidly
changing customer needs.

All the companies declare that their priority is to provide customers with the
highest quality, on the other hand they are also trying to reduce costs as
much as possible. Thanks to globalization, today's competition has become
really tough. There are several managerial approaches how to face
globalization. Some of them have been successfully applied all over the
world. However, there have been also tools, which many of the companies
did not succeed with. One of such tools is Japanese method called Kaizen.

Kaizen is a Japanese method of management which helps manufacturing
companies to remain competitive and keep their market share through
continuous improvement of manufacturing system processes. In this
MMGT6001 Strategy and Entrepreneurship assignment, I will focus on main
features of Kaizen philosophy, on its main advantages and disadvantages, on
how Japanese way of management differs from that of western world and
last but not least on why western companies often fail when applying Kaizen.
What is Kaizen? Word Kaizen comes from Japan. 'Kai' means 'change' and 'Zen'
means for 'better'.

Sometimes we are talking about so called ' Gemba Kaizen', which means continuous improvement. Continuous Improvement is one of the core strategies how to reach perfection in production (Dean and Robinson, 1991). Continuous improvement means endless effort for improvement where everyone is involved (Malik and YeZhuang, 2006). According to Imai (1986), " kaizen is a continuous improvement process involving everyone, managers and workers alike. " Kaizen is able to increase productivity of the firm and helps to produce products of high-quality using minimal efforts.

Kaizen is not only a managerial method, but rather a managerial philosophy. The concrete form of its application is not given, it has only a skeleton and its frames are not exactly defined. It is a very general and simple concept, which is why kaizen is so powerful, but has weaknesses at the same time. Firms applying this method have huge freedom upon its implementation, so it can be adjusted according to the firms needs. In practice, this freedom is not being very successfully used though.

There are various kaizen programs, which can differ, but the essence stays the same. The common features are: * Continuous process – Kaizen says that there is no end for improving something * Incremental improvements – compared to restructuralization or innovation, Kaizen is about little incremental changes. Basically, it says that company can always make a process better. * Participation – Kaizen tries to include all the employees It is an infinite process of improvement by little incremental changes, where all the company is included, i. . including the blue-collar workers (operatives). Those very often are the closest to the place where the products or services

are being made and therefore where the value for the customer is being created. Their ideas are very often much more practical and closer to reality than the ideas of the managers, as they sometimes lose the touch with reality when sitting in the office. The blue-collar workers are not only a pair of hands, but also one brain full of potential ideas for improvement (Ghalayini et al. , 1997).

Unfortunately, most of western companies do not realize it. Process orientation Continuous improvement is focused particularly on process improvement. To reach perfect results, the processes, which lead to them, have to be improved as well. “ Quality is associated not only with products and services, but also with the way people work, the way machines are operated or handled, the ways systems and procedures are dealt with. ” (Pursuing kaizen for quality, 2000). In western managerial practice, the firms are still more oriented on results.

Western style of management vs. Japanese style of management Western style of management can be more or less described as management by objectives. There is usually a goal or a limit which has to be reached. The way how to reach that goal depends very often on the employees which can be on one hand very stimulating and challenging for the employees, on the other hand can have some disadvantages as well, e. g. : * If the goal is not reached, the company is looking for the culprit, not concrete mistakes which could be avoided in the future. It is focused on impacts, not on causes (which might be a bad process) * Bad decisions which turned out to be good thanks to good external factors are being evaluated (rewarded), whereas good

decisions which failed due to bad external factors are being punished. When making decision, the right criteria for evaluating should be chosen. In western countries, it is very often only about financial measures, which are, of course, important ones, but not the only ones.

Kaizen uses for example: total number of suggestions, level of participation of the members, number of team meetings etc. When applying Kaizen, the management has to have on mind that process-oriented thinking usually is not enough. Top management which is too focused on processes is taking a risk of lacking new ideas and innovations and that the employee is going to be burdened with loads of working procedures so that it is difficult to see the main objective. Result-oriented manager is more flexible when setting goals and is able to think in strategic terms.

A balance between them has to be found then. It is very important for kaizen to set a goal so that the effort of the employees is going the right direction (avoid kaizen for kaizen). If possible, the goal should be measurable.

Standardization In Kaizen, standardization is essential. If we want to improve something, it is important to make clear what we want to improve. It is important to define current situation and then a desirable one. Once the desirable one is reached, it can be pronounced as standard which can be later on improved again.

It may seem that the company may be always dissatisfied, but as Brendova (2011) said in her interview, it is not about dissatisfaction, but Types of Kaizen There are various types of Kaizen, e. g. : * Management-oriented kaizen * Group-oriented Kaizen * Individuals-oriented kaizen * Zero defect

approach * Improvement suggestions system Let's take a look at the most common form of Kaizen – the group-oriented kaizen. A group of e. g. 5 manufacturers, 7 operators, 3 repairmen, 4 HR workers etc. is created. The group is then in charge of improving various aspects of their own workplace, i. . improvement of their own procedures, optimization of the workplace or increased safety. It is less costly and increases the moral of the members, the communication and creates better atmosphere in the workplace. Another interesting approach of Kaizen is zero-defect, also known as lean management. Main idea is to get rid of everything unnecessary in the workplace (so called ' muda'), bad processes, actions or activities have to be removed as these do not bring any value to the customer (so that he or she is not willing to pay for them).

What is very important about kaizen is the need or desire for improvement. To admit insufficiencies in the firm, in the way of working, in current processes or even personal insufficiencies is usually very hard. One has to be aware of those problems, even the small tiny ones. Japanese practice even recommends to focus on so called ' pseudoproblems' – that means on problems which are not problems now, but things which are in such a state that may arise in a problem later on. Conclusion Kaizen is very sophisticated method.

It focuses on processes and thanks to continuous improvement in them it is able to help increase performance, quality and reduce costs. Kaizen can be apparently a very powerful tool, however one has to know how to handle it. Given it is rather a philosophy than a managerial method, Kaizen has to be

lived, not done and that might be the main problem. It is very difficult to convince hundreds of people in a company to suddenly think differently and accept the philosophy. It is a very hard task. But once you succeed in it, Kaizen will give you a huge advantage in today's competitive world.

What is good about Kaizen is that it can be applied not only in manufacturing industries, but it can be applied basically everywhere where an improvement is needed, that means even our personal lives. We have to remember it is a philosophy, which needs to be lived. References Dean, M. and Robinson, A. 1991, America's Most Successful Export to Japan: Continuous Improvement Programs, Sloan Management Review, Vol. 3, p. 67. Ghalayani, A. , Noble, J. S and Crowe, T. J. 1997, An Integrated Dynamic Performance Measurement System for Improving Manufacturing Competitiveness, International Journal of Production Economics, Vol. 8, No. 2, pp. 20-25 Imai, M. 1986, Kaizen: The Key to Japan's Competitive Success, McGraw Hill, New York, USA. Malik, S. A. and YeZhuang, T. 2006, Execution of Continuous Improvement Practices in Spanish and Pakistani Industry: A comparative Analysis, IEEE International Conference on Management of Innovation and Technology, Vol. 2, pp. 761 – 765, Singapore. Pursuing kaizen for quality. (2000, Aug 05). New Straits Times, pp. 04. EX-04-EX. Viewed on 12 October, ; <http://search.proquest.com/docview/266591399?accountid=17203>;