



## 10 Things to Avoid During a Kaizen

Kaizen is the Japanese name for continuous improvement. While Kaizen is really about improvement involving everyone everyday it is often associated with a structured event. Kaizen events fill the gap between individual, very local improvement initiatives and bigger initiatives such as value stream improvement. They are essential to get cross-functional and multi-level teams involved in a Lean transformation. In that respect, kaizen events have a dual role – to make improvements but also to teach and communicate.

In order for a kaizen to be successful it requires a great deal of both preparation and follow-up. Here are 10 things I have learned over the years to avoid during a kaizen:

- 1. Lack of a charter**  
A charter is used to establish the framework of the kaizen. It determines what the problem statement is, relevant background information, time frame, team members, some estimation of the resources involved, and how the improvement will be measured. Without a charter the kaizen could take a very different direction.
- 2. Lack of identification of critical success factors**  
In order to make the kaizen successful you need to identify what elements are critical to the process. You must determine how you will measure the success of this kaizen so you know if your countermeasures are effective. Without
- 3. Scope is too large**  
The size or amount you will tackle within the kaizen is important for getting things done. If the scope is too large you run the problem of never implementing an improvement.
- 4. Kaizen event not linked business plan**  
You want to do kaizens that will help you meet your organization's goals. It can be wasteful to improve processes that are not part of the plan since resources to perform kaizens are limited.
- 5. Poor team selection**  
The team members on the kaizen are the brain power and manpower behind the improvement. Picking the team members should be an important part of planning the kaizen. You need to consider people's skill sets, expertise or knowledge, individuals within and outside the process, and who will provide the learning.
- 6. Striving for perfection**  
If you try to achieve perfection you may well be at the kaizen a very long time. Perfection is elusive. If you can accomplish 80% of what you set out to and meet the goals of the charter then call it complete. You will be back to improve from this new state again.
- 7. Poor follow through**  
In some kaizens it can be difficult to complete all the items you want within the time frame of the kaizen. Failure to follow through on these can undermine the team's efforts. It is also necessary to ensure the improvements that are made are maintained to prevent backsliding.

measurement the kaizen can go on and on.

8. Not presenting results  
Failure to present the results after the kaizen can cause the team to feel unappreciated. It also restricts learning throughout the organization. Another area can have a similar situation that can benefit from knowing how this team solved the problem.
9. Lack of visibility for non-participants  
Getting the buy in from those who are not participating on the team is important for sustaining the improvement. When you are part of team you are involved in the solution. For those who are not we need to make them aware of the improvements the team is making. If you don't they will naturally resist the improvement.
10. Lack of management commitment  
Management must not just support the kaizen but actively participate. Kaizens are as much a learning opportunity as anything else in the organization. Management must ensure the team has everything they need to be successful and when they are management must recognize the accomplishment.

Learning what not to do is as equally important as learning what not to do. Don't make any of these mistakes on your kaizen and it will be a success. From your experience what advice would you give others to be successful at kaizen?

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## World Class Manufacturing

World class companies are those who are striving to move from good and aim at becoming great companies. They believe that good is enemy of great. They are not complacent.

- The world class organizations rank among the foremost in the world. They are of international standard of excellence of the highest order.
- Any organization or any one or any thing world class is one of the best that there are of that type in the world.

- A world class organization gets recognized as a benchmark by its industry sector and for some aspects, by even other industry sectors.
- World class manufacturing organizations consistently deliver exceptional performance, frequently in excess of expectations.
- Yet, there can be no absolute world class manufacturing standard.

### Two Overriding Criteria

World class organizations will invariably answer the following two questions in affirmation:

- Does the organization compare with its best competition; how and how much?
- Has the organization increased its score or ranking since last year?

### Meaningful Guidance Measures

The measures to check the world class behavior of any organization are (not in any particular order):

- Better design and development
- Better planning and control
- Reduce lead times
- Improved total quality control
- Improved total productive maintenance
- Cut operation costs
- Better working capital management
- Improve business performance visibility
- Speed time-to-market
- Exceed customer expectations
- Improve customer service
- Constant innovation in the products and services
- Having a culture of continuous improvement
- Streamline outsourcing processes
- Better supply chain management
- Manage global operations
- Motivating and treating employees like appreciating assets

### Seven Pillars of WCM Model

- Work environment (5S Housekeeping)
- Waste (muda) elimination
- Equipment effectiveness (TPM)
- Customer driven (Internal & external customers)
- Quality (TQM, Six sigma)
- JIT (Supply chain management)

- Best practices (Benchmarking, BPR, Kaizen, Gemba Kaizen, Quality Circles)

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## Training and Education in a Lean Enterprise

As we have outlined in previous articles, the success of Toyota and other world class manufacturing organizations is based on creating a continuous improvement culture. One key element to achieve this culture is proper training and education. The mistake most organizations make is rolling out training at the management level, hoping to instantly create the Kaizen culture. In the eyes of the factory floor workers, it is just another system imposed on them. Training and education needs to be conducted at every level of the company.

One of the fundamental pillars of the Toyota Production System is very simple: continuous improvement, getting to the root of the problem, and respect for line workers. This system taps into the knowledge and insights of the team members. The team members receive continuous training and are given responsibility. This respect for the worker is key to gaining their involvement in continuous improvement.

We recently completed a training project that is a prime example of this type of culture. The organization decided to invest in 5S training at the line level. The company is located in Southern California and has a predominately Hispanic workforce. A decision was made to conduct the training entirely in Spanish, including all training material. Training was conducted in groups, with each group representing a different product line. Each week a different group of line workers were involved in classroom and "hands on" factory floor training. The workers viewed the training as a sign of respect, and word soon spread throughout the plant. As training progressed the excitement built and the results were

amazing. As training commenced for the last group we noticed numerous improvements had already been implemented on that product line. The excitement is now spreading into all areas of the organization as everyone looks for ways to improve his or her workplace.

This is just one example of a trend we see at many organizations. In the eyes of everyone involved, the company is making an investment in him or her. The results the company realizes are higher quality, increased production, and better employee morale. The walls between management and the worker are torn down, and continuous improvement becomes a way of life.

When a company begins a Lean training program, the key to success is to get everyone within the organization involved. Develop a company-wide training and deployment plan that will build excitement and create a continuous improvement culture.

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## What is Lean Office?

"Lean Office" is becoming a popular concept, but what does it really mean? Some think that organizing their desks using 5S principles is the place to start; however, there is much resistance to this approach by itself and with good reason. Before applying any of the lean tools to an office environment, it is important to understand the flow of work. Just as we map the value stream and focus on shortening lead time and eliminating waste in manufacturing, we must map administrative processes to better understand them and eliminate waste. It is at that point at which we can apply the tools.

Processes like product development, order processing, planning, purchasing, and the like are full of wasteful steps that cause delays. Since one of the key principles in lean thinking is to minimize the time between the customer order and the fulfillment of that order, we must look at the entire lead time. This lead time

includes many non-manufacturing processes- in fact, for the service organization it doesn't include any manufacturing processes. In order to see the waste in these processes, we must map them. We must understand the relationship between steps in a process, and we must learn to see the waste in these processes. After we identify the waste and what needs to be worked on, then we can apply traditional lean tools such as continuous flow, pull systems, layout changes, 5S principles, visual controls, and error proofing.

Below are three examples of processes to which we can apply lean office principles and examples of waste we might find:

1. Order Processing- errors in data entry, lack of standard work, imbalance of work between associates, customers waiting
2. Engineering Change Orders – long lead times regardless of type of change, delays due to multiple approvers, unnecessary approvers, inefficient approval process, wasted time in meetings, engineering resources doing work that could be done by others to speed up process, etc.
3. Purchasing Requisition and Ordering Process – inappropriate approval processes, errors in paperwork/data entry, large expediting costs.

Let's consider the service department at an auto dealership not far from where I live. About two years ago, the process by which a customer would check his/her automobile in for service was:

1. Pull vehicle in to service area and park.
2. Wait for an attendant
3. When an attendant arrives, give your name and reason for service and go into the service "lounge."
4. Wait (average about 20-30 minutes) for someone to call you.
5. When called, meet with a service associate to discuss the service and sign paperwork.

This process took on the average about 30 – 40 minutes. After receiving poor

feedback from their customers, this dealership decided to apply some lean thinking.

The new process is as follows:

1. Pull vehicle into parking lot and give already waiting attendant your information.
2. Pull into service area and leave vehicle with keys.
3. Wait in lobby for service associate (average 1 - 4 minutes)
4. Meet with a service associate to discuss the service and sign paperwork.

The new process takes less than 15 minutes from start to finish. This very simple example shows that delays can be eliminated by re-balancing work, eliminating steps, re-locating people and processes, and applying other lean concepts.

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## The Power of Kaizen

Are Kaizen events effective? Based on the successes observed in companies like Toyota and countless other "lean" companies such as Wiremold, Pratt & Whitney, and others that have been studied by lean gurus over the years; kaizen events are very effective and very powerful. However, some organizations have failed at implementing lean and kaizen events. What is the source of the power seen in successful kaizen events? Part of the reason Kaizen events are powerful is because they are carefully selected and planned. While we have addressed these important issues in other articles, there is one single factor that contributes more to the power behind kaizen than any other: people! While that may sound trite, people are in fact the power behind kaizen. Do "better" people result in "better" kaizen events? No. Toyota, by far the most successful of all "lean" companies and the inventor of lean, does not believe in hiring the so-called superstars. Toyota in Japan generally hires people directly out of school to avoid their having to "un-learn" bad habits. They believe in developing exceptional people around a lean culture. The lean

culture is developed through basically five key areas:

**Training:** All new employees should be trained in the lean system being employed at the company. Other employees should receive on-going training. Some of this training will happen during Kaizen events. Toyota trains all of its employees in its system; this is also part of their employee orientation.

**Lay-off Policy:** At a successful lean organization, people cannot lose their jobs due to lean successes. If employees even suspect that they might lose their jobs due to kaizen event improvements, they will not contribute to the best of their ability. One of my colleagues visited a manufacturer in the northwestern U.S. that employs these principles. They have Kaizen events happening nearly every week. Labor requirements are reduced in almost every kaizen activity; “displaced” individuals are never laid off. They are placed in a continuous improvement or kaizen office, where they contribute to further improvements around the plant. As demand increases, they are brought back into a production function. (Recall that a growth strategy must be part of lean since lean frees up resources.)

**Incentives/Metrics:** Improvements must have incentive at all levels. Operators must have incentive to make improvement suggestions (and implement).

Management and support personnel must have incentives to make productivity and quality improvements through kaizen. Where many companies fail is that they measure and provide incentives to employees based on one standard (such as shipping out product), but they expect continuous improvement. This does not work: incentives must be in line with expectations. If a company expects continuous improvement, it must provide incentives. Incentives can range from recognition to monetary rewards.

**Team Environment:** Teamwork is important, but it is often misunderstood.

Following is what one American executive at Toyota said regarding teamwork:

“Respect for people and a constant challenging to do better- are these contradictory? Respect for people means respect for the mind and capability. You do not expect them to waste their time. You respect the capability of the people. Americans think teamwork is about you liking me and I liking you. Mutual respect and trust means I trust and respect that you will do your job so that we are successful as a company. It does not mean that we just love each other.” (The Toyota Way by Jeffrey Liker, page 184)

At Toyota, all levels of the organizations are respected; each part of the team has a particular job that contributes to the company’s success. Additionally, each person is respected for his or her mind and ideas as well.

**Empowerment:** On the list of words that have been overused, “empowerment” is near the top. To empower means to enable. A lean organization must enable its employees to make improvements.

Too often, suggestion programs have failed because people are asked to implement “other people’s” ideas. One of the most overlooked elements of a lean implementation is empowering employees. Employees need to be able to suggest and implement their ideas.

If a lean culture is implemented as described above, kaizen events will be successful. Employees on kaizen teams will:

- *Have the incentive to succeed.*
- *Have the necessary training to succeed.*
- *Not worry that they may be working themselves out of a job.*
- *Believe that they are important to the success of the organization.*
- *Believe that their ideas are respected and wanted.*

Therefore, employees will inevitably succeed. The power of kaizen is in the people