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Introduction

　　I observe that many business organizations implement KAIZEN initiatives in order to (1) re-position themselves to the cope with the rapidly-changing business environments, and (2) to resolve management issues. However, many organizations cannot achieve expected results because most of those KAIZEN initiatives they implement are created based on fragmented management views on things such as organizational structures, operational processes, and human resources. As a result, those organizations would have not possessed well-balanced KAIZEN initiatives that meet comprehensive requirements necessary to achieve results.

　　Why do many businesses repeatedly implement ineffective KAIZEN initiatives? This is because each business unit or department just focuses on areas of their own responsibilities and they do not have cross-functional communications with other business units or departments.　For example, corporate planning unit drives KAIZEN initiatives regarding organizational restructuring; IT department initiates computerization of information flow for operational business unit; human resources department introduces training programs to achieve objective evaluation of management and employees.　If each business unit initiates their own KAIZEN activities separately what outcome do you foresee? They will simply focus just on their own KAIZEN methods, and they will become self-content with the fact that they introduced KAIZEN in their organization.

　　"Implementing KAIZEN superficially" means just introducing KAIZEN methods without achieving significant results, or being satisfied with just a few achievements, or using KAIZEN as an excuse.　It is absolutely necessary to implement well-balanced KAIZEN methods that are well-fit to corporate characteristics in order to achieve significant results.

　　In the following sections, I will describe viewpoints and methods that are crucial for responsible corporate executives to have in order for them to drive successful KAIZEN actives.

I. Difference between 'Just implementing KAIZEN ' and 'Implementing KAIZEN with results '

1. Case study of Company A: Just implementing KAIZEN
(1) Characteristics of KAIZEN implementation at Company A
　　1) Too much focus on methods and just copying KAIZEN best practices
　　2) Action plans with too much emphasis on organizational/structural viewpoints
　　3) Top-down execution without consensus by work force
　　4) Implementation without sufficient follow-ups
　　5) High-risk challenges with insufficient KAIZEN capabilities

(2) Characteristics of KAIZEN activities that lead to no results.
　　A business entity that repeatedly execute KAIZEN activities, but cannot fix target management issues often lack company-wide understanding of corporate problems/issues that need improvement, and they also just pursue KAIZEN methods. This type of a business entity tends to introduce KAIZEN best practices without

checking whether the practices apply to their own organization. As a result, those KAIZEN initiatives are forced on to work force without developing company-wide consensus. In other words, objectives and expected results of KAIZEN initiatives are not well communicated within the organization and KAIZEN methods are simply forced on to working units for execution. For example, assigning sheet completion and submission without sufficient explanation.

   In addition, this type of business entity neglects consideration of its own internal business environments and hasten to implement KAIZEN activities. In such a case, each individual often execute his/her tasks in his/her own way without having standard procedures.   It is absolutely necessary to have clear responsibilities and rules among employees in order to achieve improvements through KAIZEN initiatives.   In order to resolve their own management problems/issues, key driving-forces behind KAIZEN must be internal corporate staff, and external resources should only be used to supplement internal efforts.   When there is a high dependency on external resources, KAIZEN activities are often implemented without having sufficient follow-ups and evaluations, hence KAIZEN experiences are not shared within that organization.

(3) Characteristics of KAIZEN implementation at Company B
   1) Understanding tasks and sharing progress among all business units
   2) Having right targets and implementation plans for work flows within a department
   3) Having discussions and evaluations of cross-functional work flows from two different viewpoints; concentration within and decentralization of department functions
   4) Restructuring of reinforced responsibilities in each organization
   5) Awareness of importance to provide explanations and having two-way communications among department staff
   6) Plan roadmap for KAIZEN activities (i.e. preparation, introduction, implementation, and verification)

(4) Five important points to achieve improved results
   Any business entity that repeatedly execute KAIZEN activities without having to achieve results has to understand that they need to identify "What are the crucial management issues/problems that need to be resolved," and to consider what have to be executed, and then, they can set direction to accelerate corporate renovation.   They also have to have capabilities to obtain company-wide understanding of the issues and support on actions to achieve goals.   The following five points are critical in achieving improved results:

1) Capabilities to resolve internal management issues/problems properly (not just copying best practices, or taking in popular approaches)
2) Establish internal system to monitor progress
3) Identify success factors from the past KAIZEN initiatives and benefit from the experiences
4) Do not force KAIZEN initiatives, but rather involve employees so that they come to consensus and commit to achieving results
5) Be realistic about your capabilities; never pursue what cannot be achieved.

II. KAIZEN process management that will lead to improved results

4. When you generate ideas, arrange appropriate KAIZEN methods in order to achieve results

    In order to achieve goals, one must master the way of conducting KAIZEN, 1) 'Sense of direction; what must be implemented in what way '. 2) Sense of organizational responsibility, 3) Awareness of self-capability, and 4) Monitoring results. It is critical to understand these four points in order to maximize results from KAIZEN initiatives.

5. Evaluate results of KAIZEN activities and capitalize on the experiences for the next KAIZEN activities

    Process management is an activity to resolve problems in sequence while attaining satisfactory achievements.　In order to achieve expected results, it is fundamentally important to follow proper processes described in the PDCA management cycle.

  As a method to complete comprehensive KAIZEN actions, it is very effective to evaluate the progress of each activity by 'Reviewing a present achievement level against set-goals', and 'Identifying challenges in order to achieve final goals'. You can only reach the set goals if you can identify the challenges ahead.

There are four factors in the management evaluation

1) Confirm targets

    The current achievement level against the set goals must be measured objectively and concretely. It is necessary to apprehend the current level of achievement by making use of measurement index.

2) Analyze root causes

    All the root causes that determine the current level of achievements against the set goals must be identified. It is necessary to identify the root causes either when KAIZEN initiatives are not working or not working to achieve expected goals.

3) Apply KAIZEN learnings from the past

    Review all the KAIZEN processes of the past and organize the learnings that helped realize the achievements. It is so effective to organize implicit KAIZEN learnings from the past and then to apply that to future KAIZEN initiatives.

4) Identify challenges and set measures to resolve them

    In order to achieve improvements in a satisfactory manner, it is absolutely necessary to identify challenges and set measures by making use of the past KAIZEN learnings.

6. Corporate staff driving KAIZEN initiatives must work with front-line staff

    People at the front line of organization are the key in successfully achieving improvements, so corporate staff who is driving KAIZEN must get the front-line people involved and obtain cooperation from them. It is people at the front-line operations who face customers, so they are able to obtain crucial information that are necessary for a business entity to execute improvements. And, it is the front-line people who are able to evaluate whether or not the ongoing KAIZEN initiatives are on track. In addition, all

required adjustments are to be executed at the front-line. Therefore, people at the front-line operations must take proactive roles in implementing KAIZEN activities, rather than just taking a passive role waiting for instructions from the corporate KAIZEN staff. A business entity must provide suitable work environment to those at the front-line, so that these people can participate in KAIZEN initiatives proactively, generating results. It is not effective to execute KAIZEN initiatives only from the corporate top-down viewpoint.

Cooperation from all business entities will maximize the possibility of achieving the expected results and establishing sustainable environment for further improvements.

III. Develop organizational KAIZEN capability

7. Reinforce capabilities within a corporate organization to achieve improved results
For a business organization, it is necessary to develop autonomous capability to resolve management issues/problems and to execute improvement actions in order to adjust itself to the rapidly changing business environment. That capability is composed of the following five elements:

1) Capability to identify management issues/problems
2) Capability to set road map to resolve the issues
3) Capability to communicate to and share issues with all employees
4) Capability to maintain commitments from all employees so that they proactively tackle, execute, evaluate, and re-adjust improved activities
5) Capability to develop and apply abilities required to drive KAIZEN initiatives

Developing capabilities among employees is necessary to resolve challenges within a business entity. In developing capabilities among employees, it is important for each and one of them to learn what is required and to make use of it in their responsible tasks. In other words, employees should not be asked to challenge what is beyond their capabilities; this is often a reason why so many business entities fail to succeed in executing KAIZEN initiatives.

The ultimate goal in developing capabilities among employees is to level-up organizational capabilities as a business entity to resolve problems/issues. It is critical to make employees realize the importance of self-initiatives, and to enhance their capabilities which must be applied to their day-to-day operations.

8. Establish fundamentals of work and management methods
First, fundamental factors of each operation have to be shared by all employees. Then each operation has to execute according to the factors.   Sharing fundamental factors of each operation among employees would enable them to clarify operational planning, required degree of execution in operation, and evaluation of outcomes, and as such they would be able to access detailed information of KAIZEN initiatives and to participate proactively to achieve department-wide and corporate-wide improvement goals.   The fundamental designing of business operation has two factors:1) Set up missions and

targets and then to make employees share them; and 2) Visualize the structure of each operation.   Based upon those two factors, day-to-day operations would be improved and fine-tuned continuously.
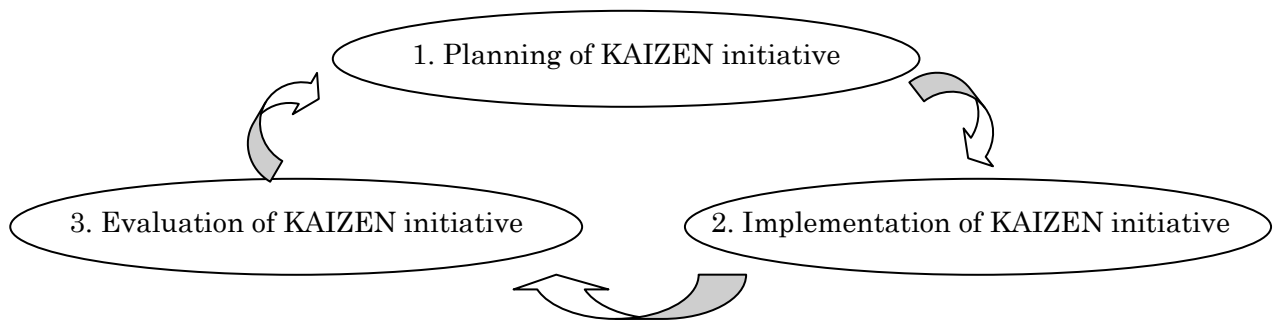

9. Apply work improvements to KAIZEN learning experiences
 (1). KAIZEN process
    Clarifying the missions and target of each department is the first step in improving operations. Ultimate goal of each operation has to be matched with the department-wide goals. A concrete description (picture of successful target achievement) also has to be matched with the realization of department-wide goals.
    Selection of KAIZEN target and initiatives as actions should be generated according to the department-wide goals. KAIZEN progress must to be monitored and adjustments should be made as necessary during the execution phase. Upon completion KAIZEN initiatives have to go through evaluation, and lessons must be learned.
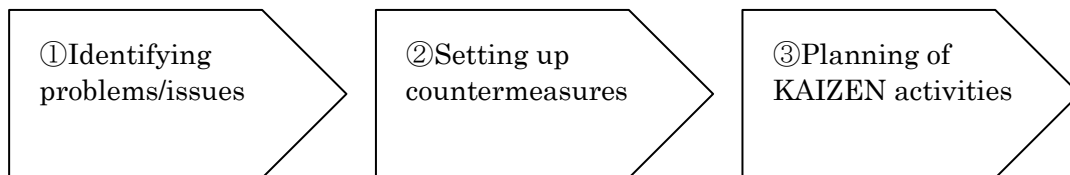
 Basic KAIZEN process

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                    ┌─────────────────────────────────┐
                    │ 1. Planning of KAIZEN initiative │
                    └─────────────────────────────────┘

    ┌──────────────────────────────┐     ┌────────────────────────────────────┐
    │ 3. Evaluation of KAIZEN       │     │ 2. Implementation of KAIZEN        │
    │    initiative                 │     │    initiative                      │
    └──────────────────────────────┘     └────────────────────────────────────┘
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(2). The basic way of thinking about KAIZEN initiatives
    1). Basic steps to set up a KAIZEN initiatives
       Effective KAIZEN measures to resolve corporate problems/issues can be generated
     in the sequence of: ①identifying problems/issues, ②setting up measures, and
     ③planning   KAIZEN activities. This sequence will increase the possibility of
   realizing that expected results.


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┌──────────────┐   ┌──────────────┐   ┌──────────────┐
│ ①Identifying │   │ ②Setting up  │   │ ③Planning of │
│ problems/    │   │ countermeasures│  │ KAIZEN       │
│ issues       │   │              │   │ activities   │
└──────────────┘   └──────────────┘   └──────────────┘
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    The following symptoms can be observed in the case of implementation of KAIZEN initiatives that led to no improvements; ⅰ) primitive set-up of measures with vague understanding of problems/issues, ⅱ) implementing plans that are too conceptual.

If a business entity sets up measures without having a clear understanding of problems/issues within the organization, the measures cannot effectively resolve the problems/issues. If a business entity sets up implementation plans that are too conceptual, it won't be clear as to who is responsible for what actions in what way. In the worst case, KAIZEN initiatives will not start, you might see overlapped actions, or skipping crucial KAIZEN step that calls for a turn back. This is not only unnecessary and expensive, but it might lead to possible delays or incompletion of KAIZEN initiatives.

2) Management viewpoint to reinforce KAIZEN initiatives; 'Importance', 'Effectiveness and cost-efficiency', and 'Feasibility'.
　　In order to enhance the quality of KAIZEN initiatives, viewpoints of 'Importance', 'Effectiveness and cost-efficiency', and 'Feasibility', must be applied for. First, the 'Importance' viewpoint implies verifying whether or not resolving a particular problem/issue is required, and verifying whether or not executing KAIZEN initiatives is called for. Second, the 'Effectiveness and cost-efficiency' viewpoint implies verifying whether or not generated measures are effective and are set in a cost-efficient way. And the third viewpoint of 'Feasibility' implies verifying whether or not execution of KAIZEN initiatives has reasonably high possibility to resolve problems/issues.

Key reminder when generating KAIZEN initiatives
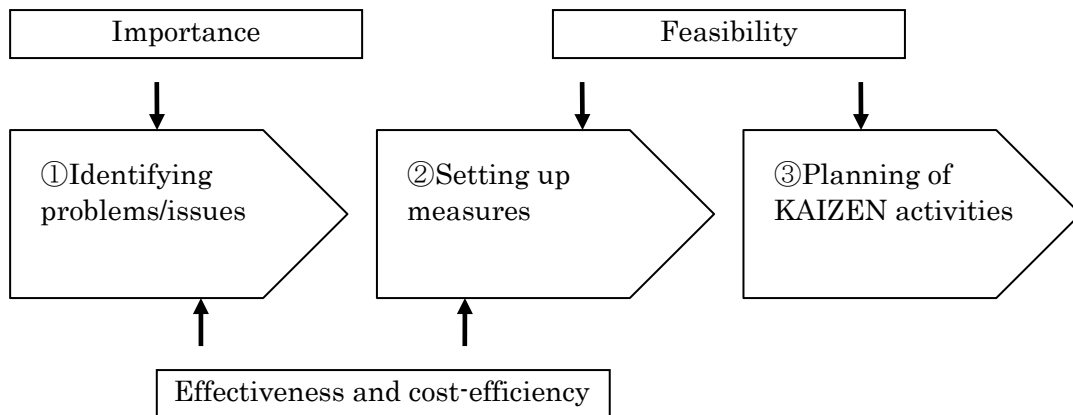
3) Basic management skills that are required to drive effective and cost-efficient KAIZEN initiatives are:
　ⅰ. Process management skill to resolve problems/issues
　ⅱ. Communications skill to share problems/issues and to build consensus
　ⅲ. Skill to build up logical reasons and conclusion

4) Utilizing 'Visualization' for operational KAIZEN initiatives

What one needs to visualize are operational procedures and key reminders, operational task volume, workload requirements, expected outcomes through operations, the number of operational defects or mistakes by category, the number of customer complaints by category generated by operational defects or mistakes, quantitative data such as engaged hours of handling customers to fix those claims, etc.

The benefits of 'Visualization' are making employees share realities of operations clearly and objectively, and then obtaining information to be discussed as a group. Visualized information would clarify problems/issues to be resolved, and it will promote co-operative approach to resolving problems/issues, while motivating and, enabling employees to commence generating measures and building up consensus and decision making in an effective and efficient way.

10. Set up mechanism to accelerate KAIZEN learning experiences: " Process management to motivate employees "

In order to motivate employees responsible for KAIZEN activities, incorporate factors such as "skills to optimize KAIZEN approaches against set goals" and "opportunities to experience achievements" into an existing human-resource development programs.

1) Break-down of corporate goals at operational level

All employees must get involved with the process of breaking down corporate-wide goals into segmented goals for each operational level, through visualizing firm-wide goals and corresponding individual goals and responsibilities, as well as actions required to achieve those goals. All employees must share these steps prior to implementing KAIZEN initiatives.

2) The cycle to improve the quality of KAIZEN activities

In order to let employees experience achievements, it is necessary to make them recognize changes. In other words, you need to encourage them to behave constantly in the following sequence; ⅰ) recognize, ⅱ) think, ⅲ) decide, and ⅳ) act. This cycle will make employees see that their approach is effective in improving the quality of KAIZEN activities.

"Recognize" means recognition of problems/issues; and, therefore, it is necessary to clarify the gap between goals and the current status.

"Think" means setting up suitable alternative plans to resolve problems/issues. This can be set up by utilizing viewpoints of developing measures, or by analyzing possible causes and root causes of problems.

"Decide" means to determine the best plan among several alternatives for the benefit of the entire firm.

Finally "Act" means simply to act once decisions are made. Of course, goals, standardized operational procedures, and action plans must first need be set up, and then KAIZEN initiatives must be executed in an orderly sequence. These steps are necessary to realize smooth execution of KAIZEN activities.

3) Accountability based on communication

Accountability means the responsibility to explain KAIZEN results. Persons assigned to KAIZEN have responsibilities to explain the outcome of KAIZEN initiatives. This should be made against the set goals. It is also important to confirm the current progress of execution when he/she explains the status.　The aim to apply accountability based on communication is to regularly confirm roles and responsibilities of each person assigned to carry out KAIZEN actions, and to modify, if necessary, those KAIZEN actions in order to achieve expected results.

4) Development process
There must be a system to utilize "Recognize" factor in order to motivate employees to make KAIZEN initiatives stable within an organization, and make improvements to their KAIZEN capabilities, such as productivity, cost, and quality of operations. By utilizing such a system, each department's KAIZEN capability levels will be lifted. This will also make priorities for each department clear. It is important to have this system to raise the level of KAIZEN targets.

5) Using internal best practices
Employees responsible for KAIZEN can learn a lot from internal best practices and they can apply the learnings to their own KAIZEN initiatives. In order to increase the possibility to fulfill expected KAIZEN goals, KAIZEN supporting team must play critical role in organizing KAIZEN initiatives, which generate results, and then to share those successful experiences with other employees.
An employee who successfully achieved KAIZEN goals must share information about how they reached their goals, how they struggled with and overcame obstacles, and what they have learned from those experiences. Employees in charge of KAIZEN or the departments he/she belongs to has to learn from the internal best practices and apply the know-how they learned from them.

11. Reinforcement of KAIZEN execution; The change-support team
 (1). What is the change-support team?
I have heretofore explained key points of obtaining KAIZEN results, such that even a business entity with insufficient problem solving capability can achieve. While it is important for an employee to develop problem-solving capabilities, it is also necessary for a business entity to keep adjusting itself to the rapidly changing external business environment. And, improved activities must be based on effective analysis and prioritization of problems/issues from the corporate management viewpoint. The change-support team will provide specialized back-up functions to drive department-wide KAIZEN initiatives in an effective, efficient, and prompt manner. Such a team is especially necessary for a business entity with insufficient capabilities.

 (2). Five roles of the change-support team
     1) Clarifying problems/issues
     2) Realizing results
     3) Reinforcing KAIZEN capabilities held by department and employees
     4) Making data-base of know-how for others to learn from
     5) Providing hands-on support to employees responsible for KAIZEN initiatives

（3). Requirements for members of the change-support team
      1) Three desires
         A member of the change-support team must be conscious of achieving results. Also, he/she has to have a commitment to KAIZEN initiatives. KAIZEN has no room for superficial leadership or methodology. A desire to enlighten other employees who are responsible for KAIZEN is also required for someone in the change-support team.

      2) Three fundamental aspects/skills
         First, in order to reach expected goals in an effective and efficient manner, the change-support team members have to recognize problems/issues and then go through required proper process. Second, the team members must have effective communications skills. This will influence the degree of achievements. Third, an ability to think logically for proper decision-making.

Conclusion

    What I have described here is a systematic management approach for a business entity to comprehensively resolve internal problems/issues. It is necessary for a business entity to adjust itself as appropriate to the rapidly changing business environment. An effective organization would have self-initiatives to identify comprehensively their management problems/issues, abilities to draw blue-prints for improvements, share all of those among employees implement planned actions, and reinforce organizational capability to evaluate KAIZEN results and to constantly improve the programs to accelerate KAIZEN initiatives. I have described the fundamental way of thinking about KAIZEN processes and of KAIZEN management from the viewpoint of co-operative organizational where KAIZEN processes can be executed effectively. I also explained that it is critical to have management target in order to achieve expected KAIZEN goals. I appreciate the time you spent reading my theory, and I hope this will help you with your KAIZEN initiatives.