KAIZEN Institute – Worldwide

- Local KAIZEN Offices
- Countries where we operate
- Global Office

MASAAKI IMAI
Founder and President
KAIZEN (Original Definition)

K A I Z E N = Continuous Improvement

for the better

Change
The market determines the price

Profits can be maintained only through the management of cost!
The Gemba Principles

Go to Gemba
When an abnormality occurs

Check Gembutsu
Machine, Material, Failures, Rejects etc.

Search for
Muda (waste), Mura (inconsistency), Muri (physical strain)

Make KAIZEN®
Remove root causes
What is a KMS Model – KMS Temple

World Class Performance

 Suppliers

 Process Flow

 People Involvement

 Zero Errors

 Lean Support Systems

 Process Effectiveness

 Customers

 Flow Management

 Asset Management

 Quality Management

 Service Management

 Change Management

 Build up a solid basis with:
 Values Based on Kaizen Principles

 Eliminate: MUDA-Losses

 Eliminate: MUDA-Waste

 Values Based on Kaizen Principles

 Mission and Targets

 Technical and Organizational Action Pillars

 Fundamental Values

 Version 03
The worldwide Kaizen Management System for sustainable profit and growth

World Class Performance

Suppliers

QCD

Process Flow

Zero Errors

Process Effectiveness

Lean Support Systems

Customers

QCD

TFM
Total Flow Management

TPM
Total Productive Maintenance

TQM
Total Quality Management

TSM
Total Service Management

TCM – Total Change Management

Eliminate: MUDA-Losses

Build up a solid basis with:

KAIZEN® Foundations

Eliminate: MUDA-Waste
Examples of KMS Models

- TOYOTA
- LUK FAHRZEUG HYDRAULIK
- ARC INTERNATIONAL
- Bosch Production System
- FAG
- Rolls-Royce
- DAIMLER CHRYSLER
- Electrolux
- BEHR
- The Stanley Production System
KAIZEN® Foundations –
Fundamental Values and Paradigms

Total Systems:
• Value Stream Thinking;
• People Development;
• Kaizen Management.

Quality First:
• Market In;
• Next Op. is Customer;
• Upstream Management;

Process Focus:
• Process and Results;
• Gemba Gembutsu;
• 7 Mudas.

Universal Tools:
• SDCA / PDCA;
• 5S Habits;
• Visual Management.
• People will naturally resist to change;
• The power of paradigms;
• The process of paradigms change.
Foundations - Resistance to Change

- “We’ve always worked that way”
- “At first, we cared, but …”
- “It’s not my responsibility”
- “No-one told me”
- “I don’t have the time”
- “Anyway, it wouldn’t change anything”
- “Another gizmo which won’t last”
- “There are more important problems”
- “It’s not possible here”
- “We already have enough work”
- “What’s in it for me?”
What do you see?

A young lady or an old woman?

It will depend on your own Paradigms!

The reality is that both are present.

It is important to Value different points of view!
Foundations - The Process of Cultural Change

Process of Personal Change

- Values, Paradigms
- Way of Being
- Beliefs, Habits
- New Ideas, Acceptance
- Trial of New Behaviour

Process of Business Change

(needs to be managed by change agents)

- Values, Paradigms
- Culture
- Systems, Standards
- Pilot Processes
- Processes

New Paradigm Pioneers
New Paradigm Sponsors
New Paradigm Sponsors
New Paradigm Sponsors
Foundations - The Process of Cultural Change

1. Improve Work Areas and Processes (visible Improvement)

   Gemba Kaizen: Projects, Workshops and Team Activities.
   Changing working conditions leads to employee behaviour change

2. People Start Changing their Behaviour through belief in new systems and habit of new standards

3. The Company Culture Changes

When Gemba Kaizen Activities are introduced motivation increases and employees enjoy the practical learning
Foundations - Total Systems - Overview

- **Total Systems:**
  - Value Stream Thinking;
  - People Development;
  - Kaizen Management.

- **Functional Organization vs. Value Stream Thinking;**
- **Blaming/Judging vs. Non Blaming/Non Judging;**
- **Training is Enough vs. Kaizen Management System.**

**KAIZEN® Foundations – Fundamental Values and Paradigms**
Foundations - Quality First - Overview

- Product Out vs. Market In;
- Final Customer vs. Next Operation is Customer;
- Inspection Management vs. Upstream Management.

KAIZEN® Foundations – Fundamental Values and Paradigms
Foundations - Process Focus

- Results Focus vs. Process and Results;
- Theory / Opinion vs. Gemba / Gembutsu;
- Point Improvement vs. Flow Improvement.

KAIZEN® Foundations – Fundamental Values and Paradigms
Universal Tools:
- SDCA / PDCA;
- 5S Habits;
- Visual Management.

- No Standards Kaizen vs. Standards Based Kaizen;
- No Kaizen Habits vs. Kaizen 5S Habits;
# TCM - Total Change Management Model

## I. Design an Effective KMS
1. Design a KMS Model
2. Gemba Kaizen Workshops
3. Value Stream Projects
4. Autonomous Team Activities

## II. Develop Change Capability
1. Develop a KMS Structure
2. KMS College (training)
3. Kanri Kaizen
4. Personal Kaizen

## III. Establish Direction & Control
1. Establish a KMS Audit
2. Policy Deployment
3. A3 Performance Control
4. Advanced HR Practices
• Targets:
  • Clarify the Values, the Mission and the Goals of the KMS;
  • Build the “KMS Temple”, a visual management logo full of purpose and meaning;
  • Define a clear Action Strategy (master and detailed plans);
  • Choose and apply the most effective and proven Kaizen tools;
  • Find a practical way to involve all employees in Gemba activities (top, middle and bottom).
TCM - II.0. Develop Change Capability - Overview

• Targets:
  • Develop, define and start the Kaizen Promotion Office Structure;
  • Define and start the KMS Training Plan;
  • Develop Supervisors Kaizen capability and habits;
  • Develop key people in terms of Individual Leadership Capability.

II. Develop Change Capability

• Targets:
  • Define and implement a System Audit tool;
  • Deploy the KMS across all company levels and functions;
  • Check results and make corrections;
  • Improve the Recruit, Train, Evaluate and Compensate HR practices.
# TFM – Total Flow Management Model

<table>
<thead>
<tr>
<th>II. Production Flow</th>
<th>III. Internal Logistics Flow</th>
<th>IV. External Logistics Flow</th>
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## I. Basic Stability

## V. Value Stream Design (VSD)
TPM – Total Productive Maintenance Model

8 Pillars of TPM

- Kobetsu KAIZEN®
- Autonomous Maintenance
- Planned Maintenance
- Teaching and Training
- Early Equipment Management
- Quality Maintenance
- Safety and Environment
- KAIZEN® in the Office

5S Action
TQM – Total Quality Management Model

**SITUATION**
- **LEVEL 0**: Defects leave the Company
- **LEVEL 1**: Defects do not leave the Company
- **LEVEL 2**: Decrease defects
- **LEVEL 3**: Defects do not leave the Process
- **LEVEL 4**: Zero Defects

**COMPANY**
- **LEVEL 0**: Operations, Errors, Defects leave the Company
- **LEVEL 1**: Operations, Errors, Defects do not leave the Company
- **LEVEL 2**: Operations, Errors, Decrease defects
- **LEVEL 3**: Operations, Errors, Defects do not leave the Process
- **LEVEL 4**: Operations, Errors, Zero Defects

**FOCUS**
- **LEVEL 0**: Many Defects, Many Complaints
- **LEVEL 1**: Eliminate Complaints, Inspection
- **LEVEL 2**: Don’t Make Defects, Improvement
- **LEVEL 3**: Don’t Pass Defects, to the Next Process
- **LEVEL 4**: Prevent Errors From Becoming Defects

**ACTION**
- **LEVEL 0**: Rework, Replacement
- **LEVEL 1**: Strengthen, Inspection
- **LEVEL 2**: Strengthen, Improvement
- **LEVEL 3**: Strengthen, Autonomous Control
- **LEVEL 4**: Strengthen, Autonomation (Jidoka)

**TOOLS**
- **LEVEL 0**: Standards and SDCA
- **LEVEL 1**: Structured Problem Solving
- **LEVEL 2**: Auto Quality Matrix I
- **LEVEL 3**: Quality Maintenance
- **LEVEL 4**: Q. F. D.
TSM – Total Service Management Model

6 Levels of Effective Service Management

L1 Create a good foundation through
- MUDA
- 5S

L2 Improve through
- Co-operation
  - Standardize:
    - Procedures and forms
    - Office materials
    - Communications
  - Eliminate muda
  - Do 5S
  - Set goals
  - Develop roadmap

L3 Save through
- Process improvement
  - VSM
  - Process mapping
  - MUDA
  - 5S
  - Map material and information flow
  - Do PDCA
  - Discover potential

L4 Lock in gains by
- Optimization as a Team
  - Implement Visual Management
  - Create team boards
  - Practice PD
  - Analyze task
  - Apply mobility concept
  - Create flexible layouts

L5 Empower people for
- Flexible Working in Teams
  - • Create waste free procedures
  - • Become a showcase
  - No errors or omissions
  - Reduced lead time
  - Paperless office
  - Greater flexibility
  - Less space

L6 Control process to become
- “Best In Class”
  - • Create waste free procedures
  - • Become a showcase
  - Achievement of QCDMS targets

Greater flexibility
Less space

Visual management
Policy deployment

Reduced lead time
Paperless office

No errors or omissions

Awareness of waste