

Kaizen



“Change for
the Better”

Taylor: “You have had a number of jobs at Toyota. Which one was your favorite?”

Toyoda: “Rather than being in a supervisory position, sitting in an office, I most enjoyed it when I went out and worked with the factory guys on the assembly floor, when I implemented **kaizen** ideas and worked together with the front-line workers to implement them. That gave me the most gratitude and helped me the most in my career.”

Akio Toyoda
President, June 2009-



Make Kaizen Your Favorite Activity

“Toyota’s new man at the wheel,” A. Taylor, *Fortune*, 26 June 2009

What is Kaizen?

“The corporate culture of Toyota is characterized by an endless pursuit of **innovation**. We use the word ‘kaizen,’ or continuous improvement, which has received much attention over the years at home and abroad. It is the first word that comes to mind when we think of Toyota.



Promoting innovation through kaizen means keeping abreast with changing times through a **daily and repetitive process of constant trial-and-error efforts that lead to tangible and effective improvements, which are then spread horizontally across the company.**

Kaizen is therefore constant change, or **a daily commitment to improvement on a daily, incremental basis**. In order for kaizen to work, it must be driven by needs and goals so that people will be motivated to achieve them.

Education and training of your people is therefore vital... and **people must be allowed to think.**”

Source: “Our Endless Challenge Toward Innovation,” speech by Mr. Fujio Cho, President, Toyota Motor Corporation, Nikkei Global Management Forum, Tokyo, Japan, 21 October 2003.

What is Kaizen?

Three Principles of Kaizen

- Process and Results
- Systems Focus
- Non-Blaming, Non-Judgmental



**Helps Humanize the Workplace -
Improve Cooperation, Communication,
and Enthusiasm for Work**



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- Kaizen is Much More than Just Process Improvement...
 - A Process for Learning
 - Improves Information Flow
 - Creates Culture that Asks “Why?”
 - Overcomes Decision-Making Traps
 - Drives Innovation
 - Lower Costs
 - Reduces Barriers to Interacting with Others
 - Improves People’s Understanding of the Work
 - Makes Managers Smarter
 - Helps Identify Future Leaders
 - Changes People’s Beliefs
 - It is FUN! *And Makes Work More Fulfilling*

Kaizen + No-Blame = Real Improvement



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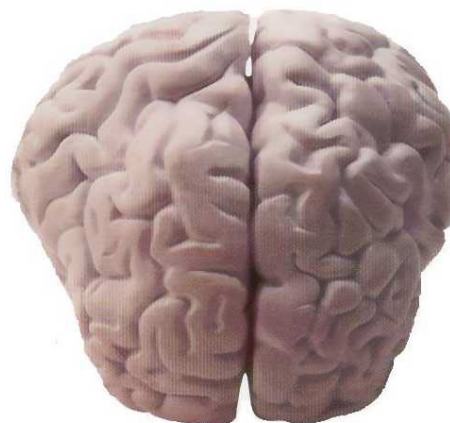
- **CI + RP Creates a Common Interest that People Can Relate to in Any Business and Across All Functions... Personal Agendas are Minimized or Eliminated**
- **CI + RP is a Higher Level of Common Focus & Enhances Individuality and Autonomy**
- **Asking “Why?” is Healthy. Not Asking “Why?” is Unhealthy**
- **No-Blame Policy Creates the Safe Space for Improvement**

Kaizen

Normal Brain



Kaizen Brain



These Brains Will Have Difficulty Communicating

Kaizen

“Many good companies try to practice kaizen and use various TPS tools. But what is important is having all the elements together as a system. **It must be practiced every day** in a consistent manner – not in spurts – in a concrete way...”



“If I am asked to cite only one thing that makes Toyota different from other firms, it is this: everybody understands there will be **no end to ‘kaizen’ efforts.**”

You Never Become Lean

Source: Quote by Mr. Fujio Cho, President, Toyota Motor Corporation, in “TOYOTA’S IDEALS (7): Getting Firm’s Work Philosophy To Help Society,” The Nikkei Weekly, 12 November 2003.