



Accelerating  
Lean

# Leano

booklet series for  
Lean Management

Improve yourself continuously

Step-by-step to success with  
V & S Kaizen-Management

# 2

# What does Kaizen-Management mean?

From the Japanese:

**Kai**=change + **Zen**=to the better

**Kaizen**=change towards the better – and this continuously

**Kaizen-Management**=organising continuous improvement

In Lean Management, Kaizen is correctly seen as being the most important management tool. This means the continuous improvement of the current state in small steps with the involvement of all concerned parties – meaning employees **and** managers.

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**Kaizen has a beginning, but no end!**

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The starting point for improvement is the understanding that there are no companies and no processes that do not have any problems or disruptions.

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**Learn to identify problems and to solve them in a structured way. Solved problems are unburied treasures!**

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The most important objective of Kaizen is the **elimination of waste!**



## What is waste?

All operations and activities for which the customer is not willing to spend money are called waste! Typical examples: transport, waiting for material or information, too much inventory, ...

→ Waste makes our products more expensive, but from the view point of the customer does not add value to the product.

## Normal distribution of working hours

Not because employees want it that way, but because processes do not have more to offer.

### Value adding activities

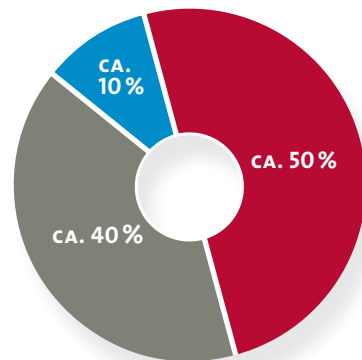
»Real work«

### Not value adding activities

»Work associated with the actual task«

### Cost increasing activities or waste

»Waste«



→ Eliminate waste using Kaizen!

→ Reduce the activities that do not increase the value using Kaizen!

## Successes and benefits of Kaizen

With a good Kaizen-Management numerous successes can be achieved:

- Growth
- An increased value of the company
- Improved productivity, throughput time and quality
- Reduction of costs through the elimination of waste
- Improvement of the working situation of the employees through active participation in the improvement process

## Kaizen Management overcomes barriers

### Lacking focus

The management is not able to concentrate the right resources on the most important problems and goals.

### Lacking structure

There is no performance measurement of the work and the structured communication about it with the management.

### Lacking discipline

Even if focus and structure are present, mechanisms for measurement of performance, for the control of standards, as well as appreciation and esteem are not applied.

### Lacking empowerment

The employees are not widely empowered to take »ownership« of their working environment and to change it in a sustainable way.

## Prerequisites for Kaizen

The barriers can be overcome through good Kaizen-Management. For this the following points are required:

### 1. Goals and focus

It must be clearly defined what is to be achieved with the help of improvement measure. The current status must be known – and understood by everyone. Each employee must know their contribution towards the achievement of the goals.

### 2. Commitment of the management

An active and visible leadership role of the top management is mandatory! Talking alone is not enough. Kaizen only becomes credible through this, and the employees understand its priority and inevitability.

### 3. Participation of all employees

Every employee must have understood the procedure and the goals of the continuous improvement, and be actively involved in the improvement process.

### 4. The provision of time and resources

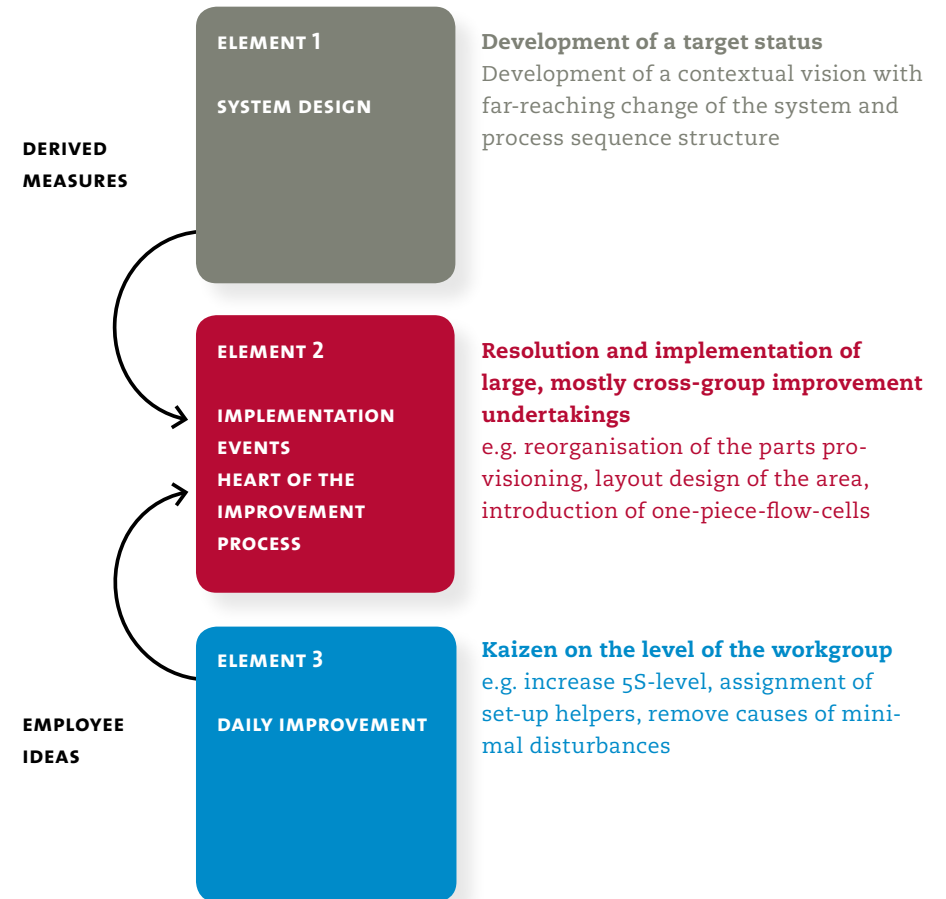
Only the regular provision of time and resources for improvement work leads to sustainability after the initial euphoria.

### 5. Structure and organisation of the Kaizen activities

All concerned parties perform all Kaizen activities according to the standards of the Kaizen management.

## The elements of the V & S Kaizen-Management

The V & S Kaizen Management is structured in three different elements. The elements have a different improvement focuses, none of the elements can be completely dispensed on a long-term basis.

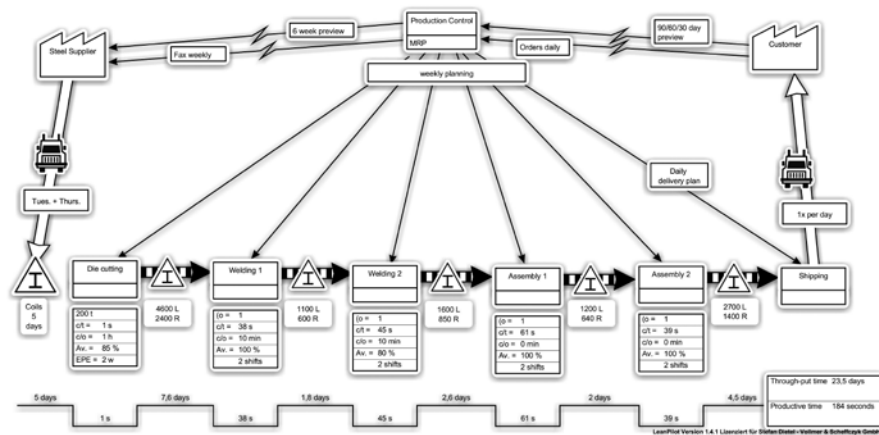


→ Manage the improvements in all elements!

# Element 1: System design is a management issue

With the system design the target status is often developed with value stream mapping. Improvement measures are derived from this spanning over all groups.

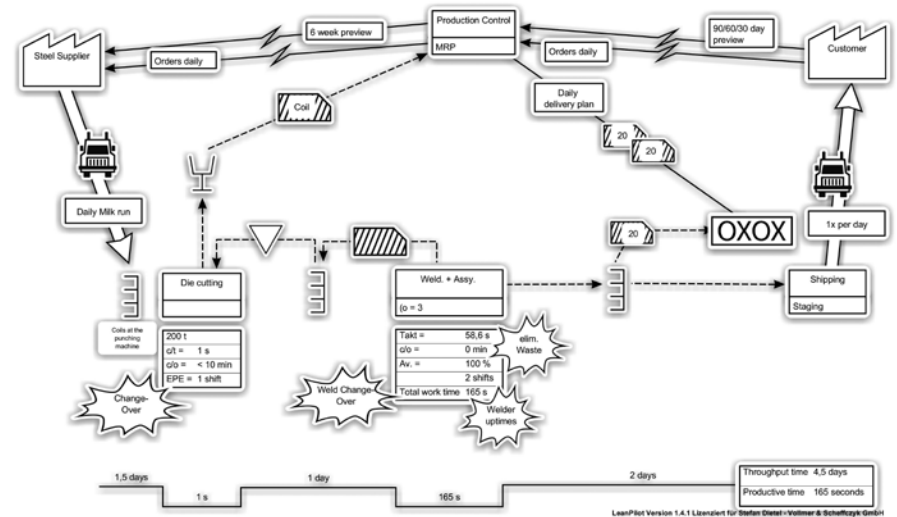
## Current status



## Advantages of the value stream design:

- Change of perspective: Value stream mapping clears the vision to identify the **flow** of materials and information
- Quickly helps to identify the **causes** of **waste**, especially due to excess production and high stock levels
- Shows **potentials** and **priorities for action**
- Provides the **measures for Kaizen-Events**

## Target status



→ Through-put time reduction by 60 %

## Element 2: Implementation events – Heart of the improvement process

The Kaizen-Events are planned and performed according to a uniform procedure, the 7-week-cycle.

### The fundamental procedure of the 7-week-cycle

#### PREPARATION

part-time,  
time investment  
approx. 5 hr

##### Week 1:

Define event with A3, form a team and inform, plan event logistics

##### Week 2:

First team meeting. Collect ideas, define data requirements, record data

##### Week 3:

Second team meeting. Visualize data, prepare materials, coordinate procedure, inform departments

##### Week 4:

Instruction/training, analysis, problem-solving, selection **implementation, implementation, implementation**  
Live Test, standardization, specify follow-up measures, event presentation

##### Week 5:

Audit working standards, measure improvement, complete pending measures

##### Week 6:

Audit working standards, measure improvements, derive new measures

##### Week 7:

Audit working standards, measure improvements, team review, presentation, documentation

#### POST-PROCESSING

part-time

#### EVENT

full-time

The ideas for Kaizen-Events are derived from the elements 1 and 3. Within 3 to 5 days a team comprising of 4 to 7 individuals plans a previously defined improvement and completely implements this. No Kaizen-Event without implementation!

### Possible event topics

#### Production

- Development of a Kanban-Control for a parts group
- Installation of a cyclic material transport (Milk-run) for the improvement of the material provisioning
- Reduction of the setup time on a machine
- Development of a cycled One-Piece-Flow-Island for a product family

#### Administration/Office

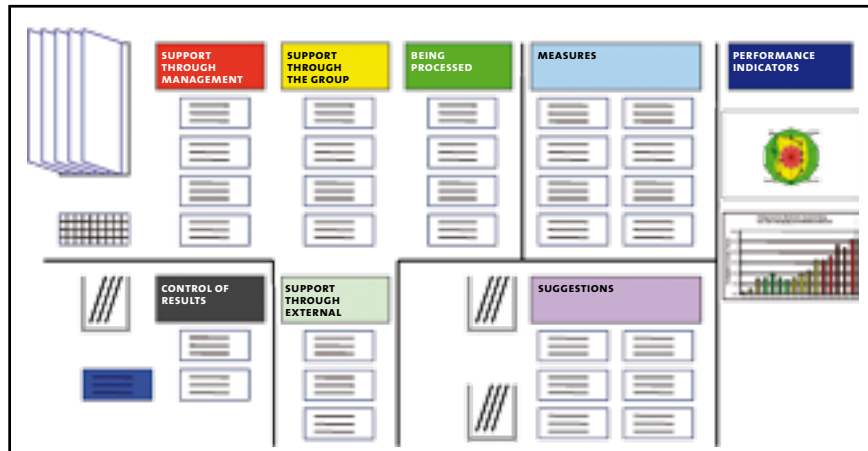
- Re-organisation of the filing of information
- Layout design of the team area
- Introduction of Visual Management for a process section
- Installation of a check-list based project management



## Element 3: Daily Kaizen in the workgroup

Make Kaizen a component of the work!

### Central tools: The Kaizen-board



The Kaizen-Group meets regularly in front of the Kaizen-board – a tool to visualise the daily improvement process. The daily Kaizen stand-up meetings are a fundamental component of Kaizen.

### Areas of the Kaizen-board

#### SUGGESTIONS

Every employee – from top-management to workman – can and should offer suggestions.

#### MEASURES

At the next group meeting the suggestions are discussed in the group, and if applicable are inserted in the measures area.

#### BEING PROCESSED

The measure is allocated a completion deadline and completed according to the time schedule through the processor/the team.

#### SUPPORT THROUGH THE GROUP

Processors require support through the group or the supervisor to be able to complete the measure according to the time schedule.

#### SUPPORT THROUGH MANAGEMENT

Processor/team cannot fulfil the task in spite of help. Consultation with management is necessary.

#### SUPPORT THROUGH EXTERNAL RESOURCES

Measure currently being processed externally and can therefore not be processed further within the group.

#### CHECK OF RESULTS

Measure will be checked at the specific time for correct implementation and effectiveness.

#### PERFORMANCE INDICATORS

Performance indicators, which the employees in the group can influence through improvement activities.



## Rules for successful Kaizen

### 1. Use a moderator

Moderated Kaizen groups achieve better effects.

### 2. Use a standard agenda for the Kaizen meeting

- The moderator goes through all the critical and still in process cards on the Kaizen wall.
- The initiator introduces his idea.
- The moderator inquires about the agreement of the group.
- The group specifies new cards for the implementation area.
- The moderator informs about performance indicators and problems.

### 3. Make the Kaizen meetings short, but have them every day

Fast habituation through daily (5–10 min.) Stand-up Kaizen meetings for the coordination of ideas and tasks.

### 4. Visualise all information

Kaizen in the workgroup must be visible. All relevant information such as direct goals, ideas and tasks are visualised.

### 5. Be disciplined

Kaizen is not a coffee break. Start punctually, switch off all disturbing sources of noise (e.g. radios) and stay on the time schedule.

## Why daily?

### 1. Current daily problems are to go on the Kaizen-Board.

And in fact these only go on the board if you meet daily. Otherwise too much is forgotten.

### 2. Kaizen is also a habituation. Everyone takes time to accommodate to new patterns.

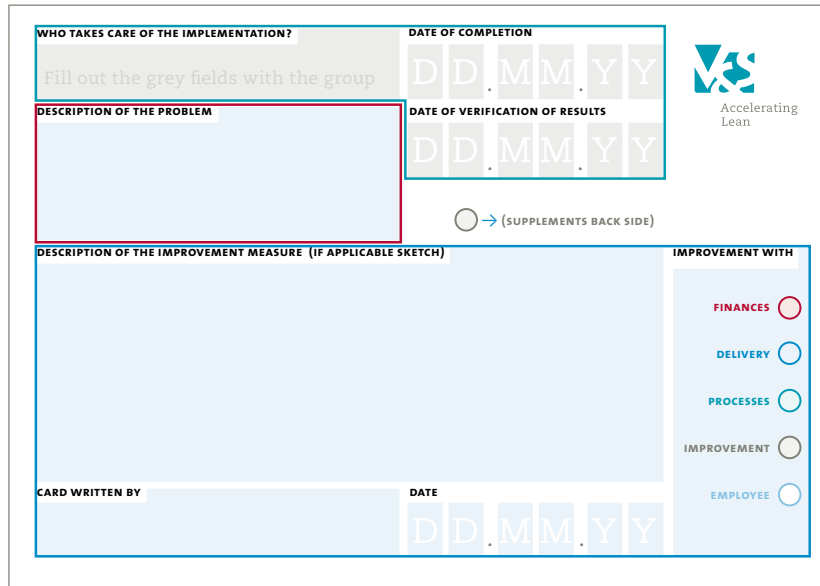
And this only happens when one does it as often as possible – at best daily.



The daily Kaizen stand-up meeting is important for change to become routine.

## The Kaizen-Card

Every improvement suggestion is described and visualised on a Kaizen-Card.



The Kaizen-Card form is divided into several sections:

- WHO TAKES CARE OF THE IMPLEMENTATION?** (Grey field)
- DATE OF COMPLETION** (DD.MM.YY)
- DESCRIPTION OF THE PROBLEM** (Red frame)
- DATE OF VERIFICATION OF RESULTS** (DD.MM.YY)
- DESCRIPTION OF THE IMPROVEMENT MEASURE (IF APPLICABLE SKETCH)** (Blue frame)
- IMPROVEMENT WITH** (List of categories: FINANCES, DELIVERY, PROCESSES, IMPROVEMENT, EMPLOYEE, each with a radio button)
- CARD WRITTEN BY** and **DATE** (DD.MM.YY)

Additional features include a logo for 'Accelerating Lean' and a note '(SUPPLEMENTS BACK SIDE)' with an arrow.

The employee with an idea or a suggestion, or who has identified a problem, initially writes it in the upper area of the Kaizen-Card (**red frame**). The employee then describes his suggestion for a solution (**blue frame**).

The top area of the Kaizen-Card is exclusively filled out by the moderator of the group and serves for the purpose of schedule tracking and the administration of the measure (**turquoise coloured frame**).

→ For improvement suggestions use the Kaizen-Card!

## The basic ideas of the V & S Kaizen-Management

### 1. Top-down: Management defines performance indicators, Kaizen-Events and goals!

The corporate objectives and the activities of the Kaizen-Group must correspond with each other!

### 2. Bottom-up: Kaizen-Group generates suggestions and immediately implements them!

Employees are empowered to undertake decisions in Kaizen-Groups about improvements and to implement these themselves in their own areas.

### 3. Short, but daily: Fast habituation through daily Kaizen-Meetings!

Short standing meeting for the coordination of ideas and tasks. Daily!

### 4. Visualisation: Kaizen in the workgroup is visible!

All relevant information such as direct goals, ideas and tasks are visualised.

### 5. Learning by example: Kaizen learning means, getting oneself used to improvement work!

This happens in the specific implementation case at ones own workplace, e.g. through 5S and SMED.

### 6. Strategic advantage: Kaizen-Culture is very hard to copy.

Kaizen-Management brings a change in culture towards a fast learning and continuously improving organisation.



# Improve yourself continuously!

- Kaizen has a beginning, but no end!
- Everyone is a part of the Kaizen-Process!
- Learn to identify problems and resolve them in a structured way!
- Resolved problems are uncovered treasures!
- Manage the improvements in the three elements!
- Visualise suggestions and ideas on the Kaizen-Board!
- Make Kaizen a component of the daily work!
- Visualise performance indicators and problems daily!



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Leano is an employee brochure  
for Lean Management.

You will find further  
brochures under:  
[www.v-und-s.de/web/leano.html](http://www.v-und-s.de/web/leano.html)

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Wir sind dabei.