

“Kaizen movement as key for organizational change” – a study at TVS motors, Mysore

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Abstract:

This research paper focuses at the utility of kaizen concept, practice and movement as a key process to bring together employees to contribute their suggestions for improvement of the not just about manufacturing processes but anything everything in the factory beginning from security to corporate office. This means that “kaizen” is a process of identification of opportunities for improvement, innovation, change, development, transformation (OFI, OFI, OFC, and OFD, OFT) by some small incremental improvement or modification of the life style and processes of organisation. The radical changes in any organisation process talks it’s seed in small changes and modifications for good (better way of doing things- more economically , efficiently and effectively without generating waste or damage to the environment and setups). This kaizen movement will be successful in any organisation because of small gifts, appreciation letter, increments, awards and prizes and some time promotions based on several kaizen’s suggested by individuals or groups. The research study has made an empirical study on how this kaizen process will help in building better human-relationships between employees and bring a better team spirit and team-work , self esteem, pride on one’s organisation and help slowly but studiedly the organisational change towards a world class human-relation handled organisation, where the employee will love to work and be with it for long long years. The study conducted in the TVS motors the TQM focused and Deming’s award winning industry to find the effect of kaizen on organsnaiton change showed that there is positive and direct relationship between the parameters of kaizen practice -implementation and the positive organisational change parameters. Those industries that create positive organisational culture and positive change in attitude, belief and commitment of employees to work together can motivate and use kaizen as key factor to bring out the required positive interventions for change and development process.

1. Introduction :

The research would like study, understand and to bring about the leadership challenges they face every day and would try to remodel the leadership requirement for Indian retail sector which has become vibrant and dynamic in wake of new millennium from the year 2001 .

2. Introduction to research:

The research as the title of the research suggests is the study to the find how the kaizen movement can act as key for organisational change and developing healthy organisation climate for change interventions, change leadership and the case study is conducted at TVS motors , Mysore to find how their kaizen movement has helped in key HR issues like employee's social need fulfillment to be part of team and the organisation to grow together as one entity.

3. Literature survey:

3.1 Definition of Kaizen:

Kaizen,¹ Japanese for "improvement", or "change for the better" refers to philosophy or practices that focus upon continuous improvement of processes in manufacturing, engineering, and business management. It has been applied in healthcare, psychotherapy, life-coaching, government, banking, and other industries. When used in the business sense and applied to the workplace, kaizen refers to activities that continually improve all functions, and involves all employees from the CEO to the assembly line workers. It also applies to processes, such as purchasing and logistics, that cross organizational boundaries into the supply chain. By improving standardized activities and processes, kaizen aims to eliminate waste (see lean manufacturing). Kaizen was first implemented in several Japanese businesses after the Second World War, influenced in part by American business and quality management teachers who visited the country. It has since spread throughout the world and is now being implemented in many other venues besides just business and productivity.¹

Kaizen² redefined:

The Japanese word "kaizen" simply means "improvement," with no inherent meaning of either "continuous" or "philosophy" in Japanese dictionaries or in everyday use. The word refers to any improvement, one-time or continuous, large or small, in the same sense as the mundane English word "improvement". However, given the common practice in Japan of labeling industrial or business improvement techniques with the word "kaizen" (for lack of a

specific Japanese word meaning "continuous improvement" or "philosophy of improvement"), especially in the case of oft-emulated practices spearheaded by Toyota, the word Kaizen in English is typically applied to measures for implementing continuous improvement, or even taken to mean a "Japanese philosophy" thereof. The discussion below focuses on such interpretations of the word, as frequently used in the context of modern management discussions.

Kaizen² is a daily process, the purpose of which goes beyond simple productivity improvement. It is also a process that, when done correctly, humanizes the workplace, eliminates overly hard work ("muri"), and teaches people how to perform experiments on their work using the scientific method and how to learn to spot and eliminate waste in business processes. In all, the process suggests a humanized approach to workers and to increasing productivity: "The idea is to nurture the company's human resources as much as it is to praise and encourage participation in kaizen activities." Successful implementation requires "the participation of workers in the improvement." People at all levels of an organization participate in kaizen, from the CEO down to janitorial staff, as well as external stakeholders when applicable. The format for kaizen can be individual, suggestion system, small group, or large group. At Toyota, it is usually a local improvement within a workstation or local area and involves a small group in improving their own work environment and productivity. This group is often guided through the kaizen process by a line supervisor; sometimes this is the line supervisor's key role. Kaizen on a broad, cross-departmental scale in companies, generates total quality management, and frees human efforts through improving productivity using machines and computing power.

While kaizen² (at Toyota) usually delivers small improvements, the culture of continual aligned small improvements and standardization yields large results in the form of compound productivity improvement. This philosophy differs from the "command and control" improvement programs of the mid-twentieth century. Kaizen methodology includes making changes and monitoring results, then adjusting. Large-scale pre-planning and extensive project scheduling are replaced by smaller experiments, which can be rapidly adapted as new improvements are suggested.

In modern usage, it is designed to address a particular issue over the course of a week and is referred to as a "kaizen blitz" or "kaizen event". These are limited in scope, and issues that arise from them are typically used in later blitzes.

3.2 The components of kaizen movement³ :

Three basic components³ of structural kaizen are as follows:

1. Perceptiveness :Discovering problems and pointing out what type of kaizen is required to fix it
2. Idea development : devising creative solutions to problems
3. Decision making, implementation and effect: deciding which kaizen proposals are the best and which can be implemented, planning how to implement them and then actually implementing them. The effect will follow.

Creative thinking methods³ and exercises support only the second of these essential elements. It always needs top-management and middle level managers to appreciate and select correct ideas of improvement into action there by encouraging more and more such kaizen to generate in the company.

3.3 Kaizen and team-building⁴:

Kaizen teams are only together for one week. Usually do not experience the same degree of conflict as teams that work together for a long period of time. The kaizen experience can be still be intense and exciting team members are typically assigned to this full-time for the duration of kaizen event. The teams follow the following aspects for successful finding and implementation of kaizen ideas and suggestions:

1. Active listening.
2. Play flat out – (don't discourage the neighbor)
3. Manage by agreement
4. Be open
5. Participate
6. Have fun

Teams do not need to adopt all of these norms. Select two or three and practice them. This list is not encompassing but it does list some useful behaviors that can help teams be successful.⁴

3.4 Kaizen and how to make kaizen work:

In the article by mike mann⁵ “Kaizen: A Japanese Way to Approach Best Practices” states that ““Kaizen” is a Japanese approach to the workplace that has proven to be a famously effective Best Practices strategy with companies like Toyota and Sony, among others. “Kai” is defined as continuous improvement while “Zen,” a more familiar term, is loosely translated as for the better or “good.” Therefore, kaizen is to make “continuous improvements for the good.”⁵

To make kaizen work the author states that Kaizen follows three principles: 1) process and results; 2) systemic thinking (the big picture); and 3) non-blaming, because to blame is counterproductive and wasteful in practice.⁵

When kaizen is applied as a daily process, everyone in the company is involved, from the CEO and management team to your employees. The purpose of kaizen in the workplace is to eliminate the waste (or “muda” in Japanese) that is produced by your company, like waste in poor time management, inner office clutter, and other inefficient methods, while freeing other opportunities. Some companies hold a “Kaizen Event” where managers and employees work together to fine-tune and revise the current standards. Once a more efficient and superior system is achieved, it is then standardized and integrated into current policies, rules, and Standard Operating Procedures (SOPs).⁵

3.5 Kaizen and organisational change :

Mishra⁶ states in his research paper that “competition has brought about profound changes to Indian corporate sector. Organizations have changed their very outlook to business because the advent of MNCs has radically altered the rules of the game. The better Indian organizations have fought with their backs to the wall and survived the competition. However, majority of Indian organizations are still struggling to cope up with pace, speed and rate of change that liberalization, privatization and globalization has gifted to Indian economy. With this backdrop this paper examines the conceptual possibility of helping organizations manage and sustain change the route. The authors posit that a Kaizen culture brings incremental changes and brick by brick builds the competitive edifice of organizations. Once this foundation structure is built it impacts upon the super structure and to reap long term benefits of organizational competitiveness, by default organizational change is ushered in seamlessly and soundlessly with least pain and agony. This provides organizations the much needed competitive advantage to lead the industry rather than follow it.

The author justifies his point that⁶ “First, and foremost, managers can derive inspiration to push an agenda, and may be a justification for why to relentlessly implement a Kaizen culture in their organization, be it manufacturing or service producing. As seen in preceding sections Kaizen, is to organizational change as are little drops of water to a might ocean. Second, managers will certainly get more clarity on how to drive, built and nurture values and thereby organizational culture. It is easy to lose oneself in the prevalent culture of an organization and crib that nothing can be done about it. In contrast, this paper has forcibly

argued that show value to employees in some activity and once sold, it is just a matter of time before it becomes a dominant culture. For laggards to the world of quality management, this paper gives bird's eye view to an illustrative list of tools that can be useful. By documenting the illustrative parameters of organizational competitiveness the authors have painted a compelling picture of what to measure to ensure effective implementation of Kaizen events. Last but not least, managers can derive lot of value in understanding the linkages between Kaizen culture, its outcome and how it impacts upon the seven critical Success factors of an organization's fabric thus making organization a "Living" entity. These factors of an organization's fabric thus making organization a "Living" entity.⁶

3.6 Kaizen and organizational culture⁷ :

Paul⁷ the author of "cultural Kaizen" states about his book "Cultural Kaizen™ is a business novel that focuses on the lean transformation of a process manufacturing site and subsequent cultural impact of the transformation on the people who work there. The book's introductory chapters focus on an operations manager's personal struggle while working at a site that has a severely negative culture. The site is undergoing a 'fake lean' transformation (Focused on the tools; not the business process). The first two chapters demonstrate the effects of a negative culture on an employee. The operations manager is offered a new position as the plant manager of a 'broken' chemical plant. This is a large step for the new plant manager, but he agrees because he will do anything to get out of the negative cultural situation he is currently experiencing. The plant manager arrives on site and determines that a lean transformation is what the site needs to improve their performance.

The plant manager uses his previous experiences as an example of "What not to do?" Above all else, he anchors the transformation with a respect for people. The respect for people was the keystone item missing in his previous role. The book continues to document the trials and tribulations of the plant leading up through the conclusion of their first kaizen event and ending with a gemba walk one year later. The major themes explored in the book are: A focus on the role of the front-line associate and a respect for their position. The effects of a negative culture on team members vs. a positive culture. The process of running a kaizen event, in a process manufacturing site, with a focus on the social and emotional effects that is above and beyond the mechanics of the kaizen process. Mass production systems vs. lean production systems and their effect on the organizational culture⁷

3.7 Introduction to Survey organisation – TVS motors :

TVS Motor Company Ltd, the flagship company of TVS Group is the third largest two-wheeler manufacturer in India. The company manufactures a wide range of two-wheelers from mopeds to racing inspired motorcycles. The company is having their manufacturing plants at Hosur in Tamil-nadu, Mysore in Karnataka and Solan in Himachal Pradesh. They are also having one unit located at Indonesia. The survey unit selected for this research is Mysore unit.

The company is employing over 40,000 people with an estimated 15 million customers. It manufactures motorcycles, scooters, mopeds and auto rickshaws. It is India's only two-wheeler company to have won the Deming Prize awarded for commitment to quality control, received in 2002. Their subsidiaries include Sundaram Auto Components Ltd, TVS Motor Company (Europe) BV, TVS Motor (Singapore) Pte Ltd, PT TVS Motor Company, Indonesia, TVS Energy Ltd and TVS Housing Ltd. TVS Motor Company Ltd is a part of Sundaram Clayton group in TVS group of companies.

The company's philosophy towards quality is reflected in its following statements.

TVS's Understanding of TQM: TQM is the company wide effort of continuous quality improvement of all processes, products and services through total employee involvement that results in increasing customer satisfaction and loyalty and improved business results.

Quality Policy: TVS Motor Company Limited is committed to achieving total customer satisfaction through excellence in TQC. We will continuously strive to provide the customer the best value for money by supplying quality product at the right time and at the right price. We shall provide superior after sales service to maintain and reinforce customer satisfaction. This objective will be achieved by continuous improvement through total employee involvement.

Total Employee Involvement: What is most striking about the company's TQM program is the tremendous emphasis that is laid on Total Employee Involvement (TEI). The above two statements also clearly mention that it is through TEI that they would achieve the TQM objective. TEI is at the very foundation of the TQM movement at TVS Motors as depicted in the company's TQM Model presented. The company tries to obtain TEI basically through:

1. Suggestions scheme
2. Quality Circle activities

3. Cross Functional Teams (CFTs),
4. Supervisory improvement Teams (SITs),
5. Task forces

The notional relative allocation of responsibilities among the different levels of employees in the organization i.e. top and senior management, middle management and workers is clear at the company. Following are three kinds of responsibilities which are shared by three levels (however, the time spent by each of these levels is different):

- (a) Retainment (i.e. Retaining the performance levels achieved)
- (b) Improvement and
- (c) Breakthroughs

Staff and workers would be more involved in ‘retainment’ part through good daily management practices and contribute to improvement through Employee Suggestions System and through participation in the Quality Control Circles (QCCs). The middle level people such as the executives would be more into ‘improvement’, while the top management would be mainly responsible for breakthroughs.

4. Objectives of the research study :

As the title of the research speaks out the objective of the present research is to study the how kaizen can bring about positive organisational change in any organisation.

. The research study is conducted on managers and supervisors of TVS motors at Mysore. The researcher would study the effect of kaizen movement on organizational change and culture of team work in the survey organisation.

. The researcher would conduct the study on randomly selected respondents from supervisory cadre and also with discussions and interviews with top-management executives to understand how kaizen would help in bringing positive organisational change and to arrive at fruitful and useful research conclusions and suggestions.

5. The methodology of research study:

The research would design the null hypothesis with regard to the objectives of the research and would be tested under statistical study on the data collected from survey organisation i.e TVS motors at Mysore. The research would be to understand the present level of kaizen movement and its effect on organizational change parameters in the industry. The research has designed set of questionnaire both managers and supervisors to know the

level of kaizen movement at their premises and its impact on creating positive organisational change in the factory.

The primary resources of questionnaire sample study will be supplemented with secondary resources such as books, journals, national and international conference proceedings, web source to know in depth about kaizen and its importance and also to understand the previous research already done on the same subject of research to set a clear path for present research journey.

6. Findings of the research survey:

The research found the following outcomes:-

- a) In this survey company the kaizen movement is in place and there is a great motivational environment of appreciation letters, awards, kaizen cake cutting, cash rewards and incentives and even for promotions there is a grade points given to “implemented and useful kaizen suggestions” for improvement , innovation and transformation of process.
- b) In this survey organization many kaizens are generated and are implemented and company has reaped the benefits of the same.
- c) The kaizens are generated some times individually or some times in a team of two or sometimes through a quality circle. In this company it is observed that the small kaizen’s have helped to redefine their production processes and solving their production and quality problems on day to day basis. Kaizen is active on continuous basis.
- d) So in this company - the kaizen have worked wonders in bringing people together usefully, creatively and fruitfully for both company and themselves and have improved employee relationships. It has improved employer - employee relationship and also manager- supervisors and workers relationship in a great way.
- e) The kaizen has made effect in the organisation change and culture in the survey company.
- f) The kaizen movement has brought an environment of trust and loyalty in the hearts of employees in particular workers.
- g) As kaizen is the contribution from any employee ranging from GM to security staff , it has brought an air of equality and dignity to every cadre of employee.
- h) Many kaizens have helped the company to avoid wastages and increase their financial profits.

Overall kaizen in this survey company has worked wonders and has brought a positive organisational change and conducive culture for organisational development process.

7. Research suggestions and conclusions:

The research survey suggests that as the kaizens suggested are mostly from the department of production and the company should give training for other department employees so that they could also suggest and bring out creative ideas for the benefit of the organisation .

The research suggest that more kaizens have poured for supervisory and worker cadre than the managers. So it is suggested that managers also involve in bringing kaizen suggestions for incremental financial and process growth and learning of organisation.

The research suggests that as kaizen have suggested improvements are mostly in production process, the employees should be taught that they could suggest improvements on other systems like HR, security, stores, fire safety, purchase, supply chain systems and transport systems.

Finally the research paper conclude that kaizen has helped in bringing people together and build an environment of trust and love and thereby - kaizen movement coupled with quality circle movement has made an impact on bringing positive organizational change and a conducive organisational culture for progressive human resource development in the organisation.

Final word:

The researcher sincerely has made an effort to bring before the present corporate managers that what “big transformations, HR interventions, leadership changes” can not bring some times happen by small changes and small improvement at all corners of organisation (kaizen - suggested by all employees - bringing involvement ideas from all employees) sum together will bring a sea of change in the organisational change process, culture, team effort and overall development of organization . The researcher suggests that like the famous proverb “hani – hani gudidare halla” (i.e drop by drop will become a pond that would be useful in the times of thirst and summer) the kaizen is one of most important miracles of total quality management that transformed Japan to global business leader and any manager looking for the key to bring total organisational change can use this “key” to

open the success story of quality for their own organization to face sustainability and growth challenges in this competitive era.

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