**KAIZEN**

A philosophy that sees improvement in productivity as a gradual and methodical process.

Kaizen is,

1. a Japanese term meaning "change for the better". The concept of Kaizen encompasses a wide range of ideas: it involves making the work environment more efficient and effective by creating a team atmosphere, improving everyday procedures, ensuring employee satisfaction and making a job more fulfilling, less tiring and safer.
2. Japanese term for [Continuous Improvement](http://www.answers.com/topic/continuous-improvement). Kaizen budgeting incorporates expectations for continuous improvement into budgetary estimates. Kaizen costing determines target cost reductions for a period, such as a month. Thus, variances are the differences between actual and targeted cost reduction. The objective is to reduce actual costs below standard costs. The cost-reduction activities associated with the Kaizen approach minimize costs throughout the entire product life cycle. Therefore, it has the advantage of being closely related to the entity's profit-planning procedures.
3. **Japanese philosophy that *focuses on continuous improvement throughout all aspects of life***. When applied to the workplace, Kaizen activities continually improve all functions of a business, from manufacturing to management and from the [CEO](http://www.answers.com/topic/chief-executive-officer) to the assembly line workers. By improving standardized activities and processes, Kaizen aims to eliminate waste (see [Lean manufacturing](http://www.answers.com/topic/lean-manufacturing)). Kaizen was first implemented in several Japanese businesses during the country's recovery after World War II, including Toyota, and has since spread to businesses throughout the world.

Some of the key objectives of the Kaizen philosophy include the elimination of waste, quality control, just-in-time delivery, standardized work and the use of efficient equipment.   
  
An example of the Kaizen philosophy in action is the Toyota production system, in which suggestions for improvement are encouraged and rewarded, and the production line is stopped when a malfunction occurs.

**Introduction**

Kaizen is a daily activity, 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](http://www.answers.com/topic/muri-japanese-term" \t "_top)"), 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. The philosophy can be defined as bringing back the thought process into the automated production environment dominated by repetitive tasks that traditionally required little mental participation from the employees.

People at all levels of an organization can participate in kaizen, from the CEO down, as well as external [stakeholders](http://www.answers.com/topic/stakeholder-general) 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.

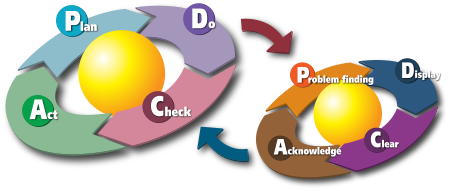
While kaizen (at Toyota) usually delivers small improvements, the culture of continual aligned small improvements and standardization yields large results in the form of compound productivity improvement. Hence the English usage of "kaizen" can be: "continuous improvement" or "continual improvement."

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, a focused kaizen that is designed to address a particular issue over the course of a week 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.

**Implementation**

The [Toyota Production System](http://www.answers.com/topic/toyota-production-system) is known for kaizen, where all line personnel are expected to stop their moving production line in case of any abnormality and, along with their supervisor, suggest an improvement to resolve the abnormality which may initiate a kaizen.



The PDCA cycles

The cycle of kaizen activity can be defined as:

* standardize an operation →
* measure the standardized operation (find cycle time and amount of in-process inventory) →
* gauge measurements against requirements →
* innovate to meet requirements and increase productivity →
* standardize the new, improved operations →
* Continue cycle *ad infinitum*.

This is also known as the [Shewhart cycle](http://www.answers.com/topic/pdca), Deming cycle, or [PDCA](http://www.answers.com/topic/pdca).