The Lean Principle: What Perfection Means to Businesses on this Journey

by Christopher D. Chapman, CIMS, RIT

Whether you have been pursuing The Lean Principle for more than a decade, like myself, or are just getting started, you have probably grappled with just how far to take your continuous improvement program. How good is good enough? The answer is Perfection, one of the key principles of Lean.

**Toyota Perfection**

Many companies have studied the Toyota Production System (TPS) with the intent of replicating it in their business. However, they find the principles of Lean are easy to grasp in the classroom but prove to be difficult to implement and sustain in the field, according to Taiichi Ohno, former vice president of manufacturing for Toyota.

To truly understand the principle of perfection, one must understand the environment that gave birth to this standard. Lean (i.e. TPS) was born of Toyota's desperate attempt to catch up with American automotive industries after World War II. Lean was their answer to the problem of increasing productivity and reducing cost. More than four decades later, Lean is still a proven practice at Toyota that has not only closed the gap but also catapulted it beyond many of its American automotive competitors.

Perfection, or the belief that there should be unending improvement, is deeply ingrained in the Japanese mentality. This mindset is apparent in the slogan for Toyota's flagship Lexus line: "We pursue perfection so you can pursue living." The line is more than just catchy marketing; it represents the principle of perfection that permeates through all functions of Toyota. Part of the difficulty that companies face in trying to duplicate Lean in their businesses is that many managers do not understand the principle of perfection and the mindset required to pursue this elusive ideal.

**Perfection**

To truly understand this principle is to understand what Jim Womack, the author of *Lean Thinking*, meant when he said, this journey (toward perfection) never ends. Before a company embarks on its Lean journey, it is important that the leaders of the organization ponder this notion of perfection and what it truly means. Womack defined perfection as the complete elimination of "muda," or unnecessary activities or waste, so that all activities along the value stream create value. The value stream is comprised of all the actions required to bring a product from conception to launch and from order to delivery. So what does this mean; complete elimination of waste? Envision zero defects, 100 percent on-time delivery, no equipment setups, no work-in-process (WIP) no inventory, and no quality complaints! While reaching such a goal is a never-ending journey, the Toyotas of the world pursue it anyway.

The late Soichiro Honda of Honda Motors asserted that management's role is to make a constant effort to provide better products at lower prices. In essence, not a day should go by without some kind of improvement being made somewhere in the company. The continuous improvement strategy under the Perfection Principle is a systems approach and problem-solving tool aimed at realizing this goal. Mature Lean companies foster process-oriented thinking in employees and develop strategies that assure continuous improvement involving people at all levels of the organization.

The journey toward perfection is never ending.

At Toyota, evidence of this mentality is found in the millions of employee suggestions generated every year, with an adoption rate of over 90 percent. By contrast, many non-Lean companies' suggestion programs are dormant and ineffective.

Christopher D. Chapman is a senior program manager at the Center for Excellence in Lean Enterprise at the Center for Integrated Manufacturing Studies at the Rochester Institute of Technology. He earned a bachelor's degree in business administration from Fayetteville State University in Fayetteville, N.C., and is a certified Management Black Belt.
**Kaizen (Ky’zen)**

In a Lean culture, a process called “kaizen” drives the continuous improvement transformation toward perfection. In his book, _Kaizen: The Key to Japan’s Competitive Success_, Masaaki Imai defines kaizen as “ongoing improvement involving everyone—top management, managers, and workers.” He also states that “kaizen strategy is the single most important concept in management—the key to competitive success.”

It is important to note many managers often have a very narrow perspective on kaizen. This myopia is due in part to the view that kaizen is primarily used as an industrial engineering tool. For many, kaizen is a focused event with a cross-functional team, tasked to resolve a specific problem or to achieve a specific company goal in a short timeframe. For example, a typical kaizen event may start on Monday and extend through Wednesday with a core team of employees dismantling and redesigning the workspace. While this limited use can be effective, kaizen is a rich concept that is much more than just a short-term, immediate improvement tool. Lean companies do not talk about kaizen in such a narrow context. They recognize kaizen as a strategy in the pursuit of perfection. Imai describes “kaizen as the basic philosophical underpinning for the best in management.”

A Toyota representative once shared with me that the term kaizen is used as a verb at the company. Everyone in the company is expected to kaizen. Companies that do not understand the kaizen philosophy struggle to allocate time for “kaizen-ing” when it essentially should be the way they do business.

**The Cultural Excuse**

Some will argue that the TPS management practice cannot work in Western companies because of cultural differences. However, I am more inclined to agree with Imai that the issue is not one of nationality but one of mentality.

Lean companies routinely expect managers to devote at least 50 percent of their attention to kaizen. At these companies, managers are constantly looking for ways to improve in-house systems and procedures, and their involvement in kaizens extends to fields such as labor-management relations, marketing practices and supplier relations. Middle managers, supervisors and workers are also actively involved in kaizen. At many companies all kaizen activities and responsibilities are funneled through one person or group, such as a Lean manager or a continuous improvement team, who is responsible for getting everyone else on board.

A vast array of forces can reduce the effectiveness of Lean processes even in committed companies. Lean coordination is an impossible task when the top management does not understand the ideal of perfection and how to align the rest of the organization to this vision. In addition, while Lean managers devote at least 50 percent of their attention to kaizen, their non-Lean counterparts are still struggling to do one or two kaizen events each year. Many new Lean managers view kaizen as an “add-on” to running the business. Consequently, they have difficulty making time for it and process improvement is very slow. Managers who do not “get it” are not able to effectively lead their improvement teams and experience lack-luster results. Furthermore, employees never become engaged in the methodology and their Lean initiatives usually fizzle out as just another “program-of-the-month” that has fallen by the wayside.

**Paradigm Shift**

As a teacher, consultant, and student of Lean at the Center for Excellence in Lean Enterprise at Rochester Institute of Technology, I believe that every employee in a company can contribute something to improve the business. Kaizen builds on this fundamental truth. But, before top managers can lead their workers to a higher level of performance, they must first set a higher goal in their own minds. I recommend perfection. In pursuit of perfection, managers should remember their leadership roles in developing a supportive culture cascading more responsibilities to their workers and practicing tolerance of minor failures as people try their best to implement kaizen. Increasingly, employee confidence and trust will grow to a level that accelerates the transformation toward perfection. Enjoy the journey!

**References:**