KAIZEN PHILOSOPHY IN A MODERN-DAY BUSINESS

Dilek Demirbas

Istanbul University, Faculty of Economics, Department of Economics Theory, İstanbul, Turkey

Rhys Blackburn

University of Northumbria, Newcastle Business School, Supply Chain Management, Newcastle Upon Tyne, UK

David Bennett

University of Northumbria, Newcastle Business School, Supply Chain Management Newcastle Upon Tyne, UK

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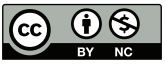

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THE AUTHORS

Dilek Demirbas received her PhD in Political Economy from University of Leicester, Leicester in England in 2000. She used to work as an academic at Newcastle Business School from 2001 to 2013 and now she is a Professor in Economic Theory at Faculty of Economics, Istanbul University, Istanbul, Turkey

David Bennett was awarded his PhD in 2008 researching the UK automotive industry supply chain. He is a Senior Lecturer at the Newcastle Business School, University of Northumbria in Newcastle, Newcastle upon Tyne, UK

Rhys Blackburn received his MA in Supply Chain Management in 2018. He works in National Transport for Co-op Food.

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Although this book is prepared with utmost care, there may be some errors and is subjected to further enhancements.

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ABBREVIATION

QCCs	Quality Control Circles
PDCA	Plan-Do-Check-Act Cycle
TPS	Toyota Production system
VMUK	VMUK LIMITED Business Supplies and Equipment, UK

INTRODUCTION

Many scholars have mentioned about the importance of Kaizen philosophy in Japanese management, and the concept is often shown as an underlying principle of Toyota Production System, Lean Production, and TQM. However, there is a great deal of inconsistency within literature of what Kaizen actually represents in a modern-day business and most importantly in the perception of the average worker. This research looks to explore how Kaizen is understood and perceived by the Supply Chain workforce of a UK Vehicle Manufacturer (VMUK) which is a British based tier 1 automotive manufacturer that produces over 507,000 cars per year. Open since 1986 the site covers 2 square kilometres and employs over 7000 people.

With increasingly high levels of productivity, the plant produces more cars per worker than any other factory in Europe. Working to a strict yet efficient no-defect policy, the plant has become one of the largest manufacturers in the UK car industry. As stated by Childerhouse et al. (2003) this a significantly large, competitive and pressurised industry which often acts as a barometer for today's environment and economy. As a result, VMUK are constantly focused on improvement and innovation to secure their position in the market. VMUK excels through a variety of Japanese manufacturing management techniques that have transformed the face of European car manufacturing. Implementing a Just-in-Time delivery process, VMUK rely on a network of in-house suppliers to create an efficient and cost-effective supply chain. VMUK utilise electronic linkages to make orders with their suppliers, with deliveries being made from sites that are located strictly within a 3-4 Mile radius. Using this process requires a combination of flexibility and predictability (Kumar and Midha, 2001), but allows for a highly efficient synchronous supply of materials as and when they are required for production.

Important to this study, VMUK pride themselves on their use of continuous improvement throughout the company, but particularly within their in-house supply network. Using the knowledge and experience of direct line workers, both internal and supplier, VMUK benefit from the creation of incremental and applicable improvements. The success of such improvements is to be discussed further in this study.

VMUK would be a great case study example of an Automotive industry organisation with existing, consistent, and efficient supply chain processes and strategies. The company not only utilise Kaizen strategies but pride themselves in the efficiency of doing so, providing an excellent area of research for this paper. Furthermore, there is a widely accepted belief that often non-Japanese companies struggle establishing long-term and effective Kaizen. Using a case study, we are interested to see how these techniques have been developed, translated, and implemented to an English majority workforce.

The study will look firstly to explore relevant areas of literature regarding Kaizen and its efficient implementation in part one. After defining what Kaizen is and its origins, advantages and requirements of Kaizen, as well as the key principles set out in literature. We also review strategies involved in creating continuous improvement such as Quality Circles and Teians and will give an expanded view on Lean Production techniques such as 5S, SOP, and Value Stream Mapping.

Then in part two, the chosen methods to analyse the primary data will be explored. This part will describe and justify the processes used and discuss the ethical consideration and limitations of the research.

Next, in part three literature will be compared to primary research undertaken within VMUK, consisting of 12 Semi-structured, qualitative, interviews with members of staff from a variety of roles, ages and experiences within the VMUK supply chain. After that, this part will discuss and analyse the key findings from the primary research conducted. Theories discussed in the literature review section will be compared to the primary data to identify contrasts and correlations.

The final part within this study bring together the research to formulate conclusions relating back to the initial objective set out at the start of the research. This part shows that, with exceptions, there is a lack of in depth understanding of Kaizen in the workforce likely as a result of poor training and education. A bell curve is identified with those most knowledgeable and experienced with Kaizen being members of staff with 5-10 years of experience within VMUK.

Workers perceptions on the implementation, principles, advantages, and requirements of Kaizen seem to be the most important aspects of the study. The effectiveness of Kaizen is mainly depends on the company implementation of Kaizen even though the participants might believe Kaizen in concept is effective.