An Examination of Kaizen Drift in Japanese Genba

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Abstract

The philosophy of kaizen is widely believed to be central to Japan's industrial success. In attempts to replicate that success, many non-Japanese industrial organizations have attempted to incorporate the visible tools and techniques of kaizen in their workplace but with only limited success to date. Why has kaizen been so successful in Japan but not in domains outside of Japan? To deepen our understanding of kaizen in Japan, a phenomenological study was conducted in middle-to-large sized industrial organizations to investigate how kaizen drifts within and beyond the bounds of the industrial organization. Detailed analysis of interviews with Japanese workers and managers determined that kaizen in Japan has a considerably deep meaning, and far beyond the widely accepted concept of continuous improvement. Kaizen is found to be an interplay of active and passive processes in *genba* that channel worker creativity and expressions of individuality into a bounded environment, or kaizen audience. This interplay results in an energy that drives a shared state of mind among employees to achieve proactive changes and innovation in the work place, as directed by kaizen philosophy and organizational requirements. Most significantly, those who work with kaizen on a daily basis, while maintaining similar organizational and operational objectives, were found to not hold a universal definition but held differing conceptual iterations and viewpoints dependent upon their age and status, which are tolerated by others and the organization. Kaizen is observed to drift across generational boundaries due to its embedded passive, at times active, and pervasive nature. The primary contribution to knowledge this research presents is the development of understanding of the utility of the kaizen phenomenon. For non-Japanese managers, this includes the realization that the simplistic diffusion of kaizen outside of Japan does not guarantee business excellence in the longer term, as is witnessed in Japan.

Keywords: *business excellence, diffusion, drift, Japan, kaizen, philosophy, sustainability*

INTRODUCTION

In the Japanese industrial context, kaizen is a *way*, an approach to organizational life with resultant tangible tools and methods thereof. The development and employment of kaizen tools and methods, however, requires a prerequisite: a fundamental, or at least intuitive, understanding of underpinning kaizen philosophy, and how this becomes the tangible form we identify with. Any lack of understanding, or misunderstanding, is seen to result in less than effective quality-movement tools and methods (JRS Management Information Service (JRS), 2006). Without an understanding of kaizen philosophy, practitioners are attempting to transfer (read: diffuse) their interpretations of other-organization kaizen output-templates as potential kaizen input-templates for their organization. A true understanding of kaizen ought to provide the means through which tools and methods are developed from the inherent philosophy and criteria of recipient organizations. A review of the literature now explores Japanese business practice and society, concluding with a literature-based definition of kaizen. Findings from research undertaken by the authors on the inter-generational drift of kaizen is then presented, with detailed explanation of the survey instrument, analysis and emergent themes, culminating with a description of a "model of kaizen" by way of an informed research-based definition of kaizen in Japanese industrial organizations.

LITERATURE REVIEW

For the last century or more, there has been sustained contention between cost and quality in manufacturing (Reitsperger & Daniel, 1990). As recently as 1980, Porter was promoting cost-based strategies as an alternative to focus-based strategies, with the inference that focused-based strategies are motivated by better quality. Management was recommended to pay attention to cost with little attention to quality. Taylor's (1911) scientific management showed that costs were reducible through consistent attention to worker effort and movement (Bessant et al., 1994). Following this, Ford's mass production took the approach of reducing per unit cost through economies of scale, with little consideration for the worker (Styhre, 2001). In contrast,

the quality movement, which gained considerable momentum after WWII (Huntzinger, 2002), paid attention not only to cost and quality but also to the human element (Saruta, 2006). The Toyota Motor Corporation of Japan (Toyota), as an exemplar (Frost & Stablein, 1992), reported as the Toyota Production System and its supporting Toyota Way (Ohno, 1988; Womack et al., 1990) quickly emerged. Although academics and practitioners have tried to "reverse-engineer" this system and philosophy (Hackman & Wageman, 1995) they have almost always failed to understand the real source of its effectiveness (Bessant et al., 1994; Flynn & Saladin, 2006).

Kaizen drift is observed through generations due to its embedded passive, at times active, and pervasive nature. This occurs when the underpinning philosophy of an ideology is actively, or passively, passed on to up-coming generations through tacit and explicit knowledge exchange in genba. This positive interpretation of drift is in contrast to that identified by Snook (2000). In his case, failure rather than performance resulted in the tragedy of two USAF F15s destroying two US Army Black Hawk helicopters, killing all on board. The point here is that drift usually infers some movement away from a predetermined outcome to the detriment of performance. In the case of kaizen drift in genba, the opposite is anticipated to apply – movement toward a predetermined outcome resulting in value.

Japanese Practice

There are a number of evident parallels between East Asian culture and management styles. The most notable include respect for authority with the deference to hierarchy, titles, and seniority (Lewis, 1996; Hofstede, 2001); trust and relationship orientations (Yeung & Tung, 1996); conflict avoidance (Hofstede, 2001); and, conformism (Lewis, 1996). In addition, group orientations (Hofstede, 2001); consensus decision-making (Hill, 2007); close relationships among governments, companies, and workers (Redding, 1984); and, paternalistic management processes too have parallels between culture and management styles. In the management and business context, Buddhism concerns itself with community and organizational stakeholders

– as reflected in Japanese lifetime employment, employees' attitudes toward job and company, relationships, hierarchy, and paternalism. Confucianism dictates ethical and social relationships over legal relationships, hierarchy, paternal management, work ethic, respect, obligation, and collectivism (Saruta, 1998). Taoism deals with consensus and moderation. Hill notes, however, that congruency may be difficult to quantify (2007).

Management by Incentive

Japanese-style management emphasizes incentive over coercion, reflecting the collectivist and consensual nature of Japanese culture. There are a number of incentives employed by Japanese organizations including economic, workplace, and behavioral (Saruta, 2006). The first, economic stimulus, specifically targets wages and bonuses, lifetime employment, a seniority-based wage-system, corporate welfare programs, and in-house training and education. These provide economic incentive through lifetime security and belongingness to the corporate family. Parallel to recent changes to these systems, the adoption of a merit-based system has also been successful in motivating employees. The second incentive relates to flexible labor lines and small workgroup management in the form of suggestion systems and Quality Control (QC) circles. These create environments where the worker becomes an integral part of the organization, allowing the externalization of organizational kaizen philosophy, just-in-time (JIT) methodology (Saruta, 1993), and autonomation (Imai, 1986) through minimal worker numbers. However, Saruta (2006) argues that the existence of such systems creates a regime and an environment of attendance-rate control where workers are "reluctant to be absent [or] … make a mistake for the fear of 'letting the others down'" (Saruta, p. 492). The third incentive, introduced much later through behavioral science based labor management, is "incentive from within" (Saruta, 2006, p. 495) and is based on a combination of Maslow's Hierarchy of Needs (1970), McGregor's Theory X and Theory Y (1960), Argyris' Job Enlargement (1973), Herzberg's Hygiene and Motivation Factors (1968), and Likert's Group Work (1959). In extension of these, on-the-job training (OJT) and self-disciplinary training programs are seen as a "form of psychological training towards a sense of employee/group consciousness" (Saruta, 2006, p. 495). Saruta proposes that such incentive management and organizational training are used to nurture employees to comply with organizational requirements for concentrated labor and long working hours (2006). For example, in Toyota, "this mechanism acts both internally and externally as a coercive force to concentrate labor and make long working hours obligatory; workers remain loyal to Toyota, resulting in the famous "Toyota Man" [sic] (Saruta, 2006, p. 491).

JAPANESE SOCIETY

Philosophy and Culture

Japanese philosophy and culture are enigmatic and paradoxical in that they deal with the experiential and are anti-intellectual (Moore, 1967). The philosophy and culture are unique as almost all points of view culminate with the "entire fabric of cultural life" (Moore, p. 293). This tightly intertwined nature of philosophy and culture provides for living through experience, with minimal "intellectual examination and analysis of life" (Moore, p. 290). Consequently, this is the result of, or conversely, has resulted in the holistic, indirect, suggestiveness of the Japanese mind. In the corporate context, kaizen philosophy manifests itself in the form of kaizen culture, tools and methods, creating an active kaizen environment within an organization. As the culture of an organization is simply a manifestation of the philosophy held by that organization, so too, kaizen culture of an organization may be traced back to kaizen philosophy held by the organization. This is evident in the case of Toyota where, as noted, the Toyota Way is the underpinning philosophy of the organization, and the Toyota Production System is the resultant culture, tools, and methods thereof (Lander & Liker, 2007).

Philosophy in Japanese Society

Buddhism, Confucianism, Taoism, and Shintoism are lifestyle religions (read: philosophies); "rooted in individual insights, awareness and consciousness" (Hill, 2007, p. 62). While Eastern culture emphasizes authority, discipline, respect, and reverence for the family, age, and status (Moore; 1967)

members have "a more passive acceptance of their roles within societies" (Hill, 2007, p. 63) which results in tolerance of inequalities and a society that provides welfare for all citizens; and, "in return citizens reciprocate with loyalty and hard work" (Koh, 1998). This provides for social harmony and cooperation between social structures, organizations and individuals (Goncalo & Staw, 2006). However, for such social harmony and cooperation to exist there is also the requirement that society members relinquish individualism. The expectation to relinquish individualism is evident in the Japanese adage, "the nail that sticks up gets hammered down" (Ohmae, 1982, p. 228), and is manifest in strong social conformity within the resulting boundaries as set by society.

The Virtues of Japanese Society

The Japanese approach to work and life in general is very much holistic and contextual, and grounded in the four underpinning philosophies of Confucianism, Buddhism, Taoism, and Shintoism. The four Japanese virtues of on, gimu, giri, and ninjo shape Japanese culture, society, and the moral character of harmony (Sugiman, 1998). These four virtues combine the elements of reputation, respect, and ethical code. 恩 (on) generally translates as reciprocity where an individual is required to acknowledge and repay all debts, even debts of honor. 義務 (gimu) may be viewed as piety when a debt cannot be repaid, the debtor must show allegiance to the debt holder. 義理 (giri) refers to duty. Such duty, or obligation, is required in order to maintain an honorable life. 人情 (ninjo) may be seen as compassion, empathy toward others, and that all others are equal. This is the underlying spirit of social harmony and the precursor of the Japanese group-oriented value system (collectivism).

Harmony

In Japan, harmony, or "wa" (Ohmae, 1982), runs deep and is both the means and the ends of social existence. It establishes and maintains the boundaries of conformity of the individual, their education, growth, and development from ruled junior to eventual ruling senior, and ultimately the destiny of the group.

Collectivism

In the societies of East and South-East Asia, the smallest social unit is not the individual but the group (Moore, 1967; Ohmae, 1982); in Japan, people speak of "we" and "my company." Although all cultures and societies of the world exhibit the same fundamental qualities of group centricity, the sociocultural values of Japan are particularly pronounced (Haitani, 1990). These values may be identified individually, but operate in unison for the greater good of harmony. The individual tends to seek self-improvement, not for self, but for the wellbeing of the larger social group. Particularism states that an individual's age, gender, rank, and educational background are more important than functional ability (Trompenaars & Hampden-Turner, 1998). Vertical consciousness within a group commands respect for those of higher age and seniority ranks by those below (Moore, 1967). Shared destiny may be felt by all members of a group as the group is seen to succeed or fail, and no one individual is ever seen as having responsibility for either. An individual's identity is borne from group membership as it provides identity and ultimately security to the individual. Mutuality of obligations states that each member's contribution to the group is necessary for the group to function in harmony (Ohmae, 1982). When individuals do not carry their weight, they are dealt with in a manner necessary, for example, either by coercion or ostracism.

Education

The education system in Japan is one that produces generalist-thinking individuals (Saruta, 1992). Informal education attempts to eradicate, where possible, free thinking and enquiry. It teaches children from a young age to accept what is demanded of them, and that acceptance of immediate reality is the easiest path to travel through life. This is similarly mirrored in the formal education system. As high school and university graduates move to the employ of corporations they undergo firm-specific training to acquire the skills necessary to effectively carry out company operations. In response to this, the corporations develop specific sets of labor practices to protect their human investments (Saruta). These include labor unions, lifetime employment,

seniority-based remuneration, and external benefits such as accommodation (Itoh, 2004a). In extension, the corporations are able to invest in further training and education of their workforce, allowing opportunity for management and labor to nurture long-term relationships of trust and reciprocity (Itoh).

Japanese corporations have developed comprehensive in-house education and training systems, which cover all aspects of labor-management relations and human resource management (Saruta, 1992, 2006). Many corporations even establish education facilities below the level of in-house training and education centers, for example, the Toyota Technical Skills Academy high school. Within these education environments, current and future employees are nurtured through economic, workplace, and behavioral incentives (Saruta, 2006) toward a common long-term organizational mindset of dedication to the prosperity of the organization as a means to future prosperity of self.

WHAT IS KAIZEN?

Kaizen may be broken down into two threads: the planned, daily activity of the company as evidenced by tangible tools and methodologies on one hand; and the unplanned, spontaneous employee kaizen on the other. The first kaizen is an adaption of Shewhart's PDCA cycle (Lillrank, 1995), and was popularized by Deming shortly after WWII (Liker, 2004). The second unplanned kaizen exists within the tacit knowledge of the worker and becomes spontaneously explicit through the accumulation of experiences and expertise (Nonaka, 1994). Kaizen experiences result from formal education and training within the company, and informal on-the-job experiences and meetings. These subsequently contribute to future kaizen activity, both planned and unplanned (Saruta, 2006).

As workers in the lower ranks of the company move up and through the ranks of management, they move from directly improving their own job operations and surroundings to guiding, educating, and facilitating kaizen understanding and practice (Saruta, 2006). The emphasis of kaizen to the individual also changes in an embedded and concurrent manner. To a new employee, kaizen is a process to be implemented, something visible, but not fully understood, provided through company training and manuals. To the seasoned veteran who has moved up the corporate ladder, it is tacit knowledge and accumulated experiences, and seen as more than just reducing costs, increasing productivity, and decreasing lead times. Kaizen becomes something invisible that can produce real results to the company's profitability and the manager's reputation. Kaizen moves from a duty to a matter of personal, group, collective, and organizational responsibility (Saruta).

Defining Kaizen in Japan

The term 改善 (kaizen) originates from the two Japanese kanji (ideograms): 改 (kai) meaning reform, change, modify, examine, and inspect; and 善 (zen) meaning virtuous, and goodness (JMdict). Consequently, we are able to synthesize the common *change for better*. While literature tends to define kaizen as *continuous improvement*, nowhere within the lexical does such context exist. The only means to imply continuous and incremental is through pure assumption that those working within the kaizen paradigm continue to do so, and that companies continue to exist.

Kaizen, even to the Japanese, is a difficult word to conceptualize and subsequently define (JRS, 2006). Any attempt to develop a definition requires prior conceptualization, resulting in identifying kaizen as a philosophy or a deterministic model of tools and methods, or a combination of both – particularly, a series of prescribed changes for ingenuity, improvement, and reform. Nevertheless, these are merely descriptions from different angles. Extant literature and this research note that users of the term somehow understand it, but not necessarily with universality. No matter what explanation is offered, there is still much subjectivity. Given the holistic nature of the Japanese language (Moore, 1967) and differing perspectives, it is difficult to develop a truly explicit and universal definition of kaizen (JRS, 2006).

Japanese academic and practitioner literature does not offer a precise definition; nor do Japanese authors define the term, even when writing specifically on the topic. The closest to an outright definition may be found in the work of Itoh (2004a). Although he attempts to construct a definition,

nothing explicit or viable is forthcoming, resulting in only generally accepted, rather than definitive discourse. The literature does, however, find offerings such as "constant and indefinite pursuit of [improvements in] safety, operation efficiency and morale" (Iida, 2008, p. 36), and "an intellectual and creative activity … [involving] thinking process, induction, [and] deduction" (Irikura & Imaeda, 2007, p. 12). Itoh simply provides "knowledge creation" (2004a, p. 49), and "problem solving" (2004b, p. 70). The JRS Management Information Service organization defines kaizen as "the selection of means to better achieve objectives, and method change … to change the way of work" (2006, p. 2). Such contributions of the variety of conceptualizations and understandings only reinforce kaizen as a philosophy, and not a theory of quality management. JRS also notes that the Japanese tend to speak of kaizen as company-limited where some employees and organizations interpret kaizen as problem awareness, part awareness reform, part organization activation, and part capacity building.

The lack of an explicit universal definition of kaizen does, therefore, result in contention. Individuals, groups, and organizations, while holding their own definition, can use the term kaizen in varying contexts. Nevertheless, even though various agents use the same terminology, that terminology is likely to hold different meanings for each. This phenomenon is the ultimate source of confusion in understanding kaizen activity. Subsequently, in attempting to develop a definition or understanding of kaizen it is necessary to realize that a universal definition does not exist, and that kaizen can only be defined from the viewpoint of the individual operating in a kaizen environment. Kaizen appears to be more than activity in the quest of business excellence, underpinned by a driving and enabling philosophy, but a means for Japanese workers to view their world, providing a metaphor for understanding.

Kaizen as an Audience

Maslow (1970) notes that people are creative. However, in the collective context, one member of a group attempting to seek individual improvement relative to others may be seen as a challenge to the institution of group harmony – the nail that sticks up. Japan maintains an established set of well-defined boundaries that guide an individual's public behavior. However, these boundaries tend not to define the individual's behavior in private, for example, in their own home. In public, the individual must uphold the tenets of Japanese society, but in private not so. In private, individuals have the freedom to nurture their creativity in ways that may not be possible in public. However, an audience to this private creativity, or an attentive ear, may be missing. Here the corporations play an important role by channeling private creativity and expressions of individuality into the public arena. The audience they provide is the kaizen environment, where an individual's expressions of creativity become the tools and methods of improvement, efficiency, and product design. In hindsight, the inputs of kaizen are the cultural/social boundaries of Japan coupled with the individual's need for creativity, with the outputs of kaizen being the tangible tools and methods of improvement.

METHOD

Case Overview

The Japan Consumer Marketing Research Institute (JCMRI) notes that Japan has experienced several generational shifts in recent history: the War Generation (those born 1938 to 1950); the Bubble Generation (those born 1951 to 1975); and, the Post-Bubble Generation (those born 1976 to 1995). Further, that the War Generation appears to have had a disproportionately large influence over the establishment of kaizen; and, if kaizen drift occurs, it must somehow spill into both the Bubble and the Post-Bubble generations (JCMRI, 2006). The latter are now approaching management positions in domain companies in Japan.

A phenomenological study was conducted within the bounds of domain companies of three large Japanese corporations during the period February to October 2009 to investigate how Japanese workers in active kaizen environments acknowledge, exercise, identify, and transfer kaizen in a sustainable manner (refer Macpherson, 2013). The sample consisted of 53 Japanese nationals employed full-time in the automobile, electronics, industrial equipment, and chemical industries. The

companies were identified as active kaizen environments because they employed kaizen tools and methods on a daily basis, as well as by their formal education, training, and recognition programs. The participants ranged from recent-hires to retirees (23 to 61 years of age), from factory floor employees to executive management, and from a cross-section of departments.

Initial workplace inquiries in Japan regarding the authors' research endeavor received enthusiastic reception from employees and management alike. The need for Japanese employees and managers to tell their story quickly emerged. Initial conversations revealed that research participants had an inherent need to pass on their tacit knowledge, while there did not appear to be an audience for its reception. The identification of a generational element led to the question, "What does kaizen mean to those who exercise it?" The generational element refers to the fact that although the Japanese are predominantly homogeneous in ethnicity and culture, there was often talk of them and us, referring to younger and older generations in the work place: crudely speaking War; Bubble; and Post-Bubble generations, with notable change in their approach to work occurring within the 45 to 50 year old range.

Data

Case study methodology (Yin, 2003) was employed in data collection as it is ideal for answering *how* and *why* questions. Data were collected through mixed-methodology field research consisting of a questionnaire (refer Appendix A) and unstructured interviews in genba, conducted in Japanese and English. Participants' choice of response language was incorporated into the research methodology from the outset. It was well understood that although English may be participants' second language, it is often their work language, and was expected to be reasonably barrier free.

Translation Methodology

All Japanese-language research data, extant literature, and questionnaire responses were translated within a framework of two independent translators. The primary translator (and author), a New Zealander who has resided and worked in Japan and undertaken research within the bounds of Japanese multinational corporations over the past two decades, has extensive knowledge of the intricacies of Japanese culture, society, and organizational life. The secondary translator is a Japanese national employed for many years in the Foreign Service. The translation process was: reading, understanding, and confirmation of original content, context, and undertones; followed by a draft translation by the primary translator; which was reversed translated by the secondary translator; and, accuracy confirmed by each.

Coding

The coding system employed within the research was developed from grounded theory (Glaser & Strauss, 1967) methodology. A parallel coding methodology was adopted where independent coders coded the data; comparative analysis of coding outputs was then performed to provide the resultant data codes (refer Appendix A). Data reduction (refer Miles and Huberman, 1994) followed and PASW software (PASW Statistics 18.0) was employed for the statistical analysis of results.

Operational Precepts

Statistical enquiry identified two generational groups: Generation 1 (over 47 years old) and Generation 2 (equal/under 47 years old). This provided a sample cut of Generation 1 of 52.8%, and Generation 2 of 47.2% of participants. The split was seen as acceptable as the mean age of the sample population was 47.15 years old. Subsequent consultation with Japanese practitioners supported this cut-off age – it was noted that Japanese employees tend to move from process-oriented to result-oriented between 45 and 50 years of age. All of this was supported by the data collected and conversations with respondents.

ANALYSIS

Content analysis of participant responses indicated that age and seniority influences the acknowledgement of kaizen – kaizen drifts through generations within the bounds of active kaizen environments. Senior employees tended to acknowledge kaizen as a means to achieve results, yet exercise kaizen as a means to undertake daily tasks. By contrast, more

junior employees tended to acknowledge and exercise kaizen as a means to undertake daily tasks. Such acknowledgement by the older generation provided evidence of intergenerational drift as perspectives are differentiated between junior and senior employees.

FINDINGS

Research data collected from participant interviews, and the output of statistical enquiry found six emergent themes: workers tend to dominantly exercise kaizen as a process-oriented phenomenon; individual workers' understanding of kaizen changes significantly over time; other workers within participants' organizations hold different views of kaizen; parent companies provide guidance while domain companies undertake facilitation of kaizen; kaizen is dominantly management oriented; and, kaizen is seen to develop in the future. The six themes are now presented.

Theme One: *Workers tend to acknowledge kaizen as both process-oriented and result-oriented yet dominantly exercise it as process-oriented* identifies that kaizen serves different purposes for different people through loose conceptual iterations of proactive change and improvement.

Theme Two: *Individual workers' understanding of kaizen is observed to change over time* further legitimizes that a universal view of kaizen does not, or need to exist, and even cannot exist, suggesting tolerance for individual interpretations. Identifiable drivers for change include organizational education, promotion programs, and accumulated worker experience.

Theme Three: *Other workers hold different views of kaizen* ties back directly to Theme One, that no one universal definition of kaizen exists; and, Theme Two, where individual interpretations are tolerated.

Theme Four: *Parent companies exercise guidance-oriented (control) activity while domain companies exercise facilitation-oriented (controlled) activity* ties directly into Theme Five.

Theme Five: Kaizen was observed to be *dominantly management-oriented*, which is in contrast to the observation that it is pre-dominantly a bottom-up, worker driven phenomenon.

Theme Six: *Kaizen is expected to develop both in the wider-sense and within the organization in the future* supports the notion that from the bottom-up worker-perspective kaizen will continue to exist, provided the top-down management perspective continues to view kaizen as a legitimate means to achieve business excellence objectives.

Summary of the emergent themes provides insight into how kaizen is acknowledged and exercised within the bounds of active kaizen environments in Japan. Specifically, Japanese workers view kaizen as a philosophical approach to work, whereby individual interpretations of kaizen are tolerated, and are subject to change over the course of workers' careers. In addition, kaizen is seen as a management tool, a means to engage the organization in a top down fashion. This is clearly in contrast to the interpretation of kaizen as a bottom-up worker-inspired approach to organizational life.

TOWARDS A MODEL OF KAIZEN: A DEFINITION OF KAIZEN IN JAPAN

Examination of Japanese quality management literature offers only simplistic descriptions of the kaizen phenomenon in Japan, with no explicit definition forthcoming. For Japanese managers and workers operating within the bounds of kaizen environments on a daily basis, none appears necessary. In the course of kaizen diffusion to jurisdictions beyond Japan, however, an explicit definition becomes necessary. A proposed model of kaizen is now presented.

The Japanese generally observe two manifestations of kaizen philosophy. Kaizen in daily life refers to improvement and ingenuity. Kaizen in industrial settings is the pursuit of business excellence through the interplay of active and passive processes in genba – enterprise-side pursuit of profit and competition, and employee-side skills, creativity, confidence, and pride. Management, the enterprise-side, fundamentally requires pecuniary profit for sustainability of the organization; and, competition as motivation. Counter to this, employees require skills from which to draw knowledge and understanding; creative output driven by gripping social and cultural boundaries, all within organizational boundaries; confidence in their abilities, and confidence in future prospects; and, pride to channel worker talents and contributions into the organiza-

tion. Over and above these human traits, kaizen also requires the means to operate, namely tools and methods that enable the generation and implementation of improvement. The enterprise- and employee-sides become intertwined through the acquisition, development, and utilization of tangible tools and methods. It is here, through the interaction of the worker with genba, and the interplay between the active and passive processes, that kaizen becomes explicit; and a secondary virtuous cycle occurs within the individual worker – the development of skills, creativity, confidence, and pride – that feeds back to further positive contribution to the organization. The passive processes stem from the activities of management within the organization – incentive by social and economic stimulus, personnel management, and behavioral sciences – while the active processes emerge as the worker responds in a positive contributory manner – utilization of tools and methods, and contribution of ideas. The interplay of these enterprise-side and employee-side elements, and tools and methods, results in the generation of an *energy* within the organization that drives a shared state of mind among employees to achieve proactive change and innovation. It appears that changes in proximity, even the elimination of one or more of these elements has bearing on the level of energy and level of kaizen activity in the organization. Therefore, being effectuated by circumstances within the organization, kaizen is a contextually dependent phenomenon. Additionally, kaizen is culturally bounded as Japanese culture specifies the directives for the acquisition and development of resultant Japan-centric tools and methods, and the enabling kaizen environment. Above and beyond the notion that kaizen is *continuous improvement*, it is the means and the result of the demands of management, and the management of human and non-human resources in the organization's pursuit of business excellence.

DISCUSSION

The teachings of Confucianism, Buddhism, Taoism, and Shintoism have changed little over time. Kaizen philosophy too has changed little over time. However, changes that are witnessed are amidst the explicit tools and methods, both active and passive, which are in turn affected by changes in user interpretations. Here, two interdependent issues come to light: the philosophy, both the intangible and tangible aspects, and change.

The culture of most Japanese organizations mirrors that of society, including: respect for authority with the deference to hierarchy, titles, and seniority; trust and relationship orientations; conflict avoidance; conformism; group orientations; consensus decision-making; and, paternalistic management processes. These elements have created environments for nurturing relationships between the individual, organization, and society, including bottom-up, top-down, and intra-strata. Management has provided the enablers and drivers of kaizen methodology through understanding of its philosophy, and workers utilize kaizen methodology through understanding and acceptance of its philosophy. It is here where the agents of success or failure appear to lie.

Sustainable diffusion of kaizen will be dependent upon human understanding and acceptance of the underpinning philosophy, and the development of appropriate tools and methodology. This understanding and acceptance includes the acceptance of change beyond the bounds of organizational and employment contracts. However, in the short-term, attention may need to be paid, not to the in-Japan cultural enablers and drivers, but to the impact and influence of external factors such as globalization, and information technology.

CONCLUSION

Primary data collected within the bounds of kaizen-active industrial organizations in Japan provided insight into how Japanese workers acknowledge and exercise kaizen; where kaizen is identified as a way or an approach to life held by the Japanese in daily and work routines. The data contributed six themes to develop a definition of kaizen within the bounds of industrial organizations. Kaizen tools and methods were noted to be outcomes of kaizen philosophy that adjust to the ever-changing needs and requirements of the organization. Japanese literature was found to rarely define kaizen but use the term loosely in a number of contexts within the presence of underpinning philosophy. The research shows kaizen to be more than simplistic continuous

improvement, but a way that is embedded, passive, at times active, and pervasive in nature.

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APPENDIX A

Questions employed in the data-collection questionnaire, with resultant coding outputs.

Question 1: How do you currently acknowledge kaizen (implicitly or explicitly)?
Code: Process-oriented (n=25)
Code: Result-oriented (n=28)

Question 2: How do you currently exercise kaizen?
Code: Process-oriented (n=35)
Code: Result-oriented (n=13)

Question 3: Has your understanding of kaizen changed during your career?
Code: Yes, a lot (n=39)
Code: Not a lot, or Not at all (n=11)

Question 4: Do other workers (generations) in your organization view kaizen differently?
Code: Definitely different (n=26)

Code: Definitely not different (n=7)

Question 5: What kaizen activities does your organization undertake?
Code: Facilitation-oriented (n=34)
Code: Guidance-oriented (n=11)

Question 6: Do organizational kaizen activities appear to differ for people at different 'levels' of the organization?
Code: Employee-oriented (n=10)
Code: Management-oriented (n=17)

Question 7: What kaizen guidance, feedback etc. does your organization receive from your parent company?
Code: Guidance (n=23)
Code: No guidance (n=7)

Question 8: Do you expect kaizen to develop further in the future?
Code: Definitely yes (n=28)
Code: Not definitely yes (n=13)

Question 9: Do you expect kaizen to develop further in the future, in your organization?
Code: Definitely yes (n=20)
Code: Not definitely yes (n=6)

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