Roles and Perceptions of Kaizen Champions: A Study of Kaizen Implementation in Malaysian Automotive Industry

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ABSTRACT

Automotive industry in Malaysia provides vital contributions to Malaysian economy. To remain competitive in a globalised business environment, business players will have to ensure continuous improvement are being implemented as part of their business strategy. One of the tools for continuous improvement which has been accepted globally is kaizen. This paper provides some evidence from a larger study on kaizen implementation among automotive companies in Malaysia. It specifically attempts to understand the perceptions of kaizen champions and their role in kaizen implementation. Fifteen participants of semi-structured interviews conducted among automotive manufacturers and their suppliers in the Klang Valley and Pekan, Pahang areas invovled in the study. The data which was recorded during the interview was then transcribed and coded according to the relevant themes. The findings suggest that the role of kaizen champion is important to ensure successful kaizen implementation in organizations. The main role of kaizen champion is to lead and assist other staff members of the organizations to implement kaizen. Teamwork, trainings for employees and support from top management are also important in helping kaizen champion fulfil their roles. Findings from this study enrich our understanding on the kaizen implementation in Malaysia and are beneficial to companies which are going to embark into kaizen or having difficulties to sustain their kaizen activities. In addition, it could also be useful to the respective government agencies in implementing the appropriate strategies that could help automotive companies to sustain their operations.

Key Words: Kaizen, Kaizen Champion, Automotive Industry, Semi-structured Interviews

ABSTRAK

Industri automatif di Malaysia merupakan penyumbang penting kepada ekonomi Malaysia. Bagi memastikan dayasaing di dalam persekitaran perniagaan global, para peniaga perlu sentiasa memastikan penambahbaikan berterusan dilaksanakan sebagai salah satu strategi perniagaan. Satu

Kata kunci: Kaizen, Tunggak Kaizen, Industri Automotif, Temubual Separa Berstruktur

INTRODUCTION

The organization sustainability during this globalization era depends on how well the organization is able to adapt itself to the constant changing demand imposed by the market. The challenge for change in the business world comes in many forms such as competition to introduce new products into the market, develop new better processes or technologies, and expand into new business market. In other words, it is not safe for an organization to remain itself as the same without making any changes in its business process or strategy. Therefore, to ensure a firm survives and succeeds, it must constantly enhance its products and services in order to fulfil or exceeds its customers’ expectation. It is common that nowadays organization all around the world is striving to offer something new in order to fulfil the customers’ desire and expectation. Thus, many of these successful organizations improve their competitiveness by applying lean principles in their organization strategy.

In recent years, the aim to foster effective and improve quality and processes in the manufacturing and service industry has been done by organizing their production processes to embrace the Lean principles (Radnor and Boaden, 2008). Lean which originated from the Toyota Production System (TPS) emphasizes the importance to implement continuous improvement in its effort to improve workflow, reduce waste and add value. One of the Leans tools that is widely use in today’s industry is kaizen or continuous improvement. Based on a study conducted by Nordin et al (2010), it was found that kaizen was the main leading lean manufacturing tools among Malaysian Automotive companies in Malaysia.

The implementation of kaizen philosophy lies on the involvement of all employees in activities which bring gradual changes, cost saving solution, empowering the employees and continuous improvement to the companies. Identifying critical factors, which positively influence the result from kaizen activities was studied by Atkinson (1994), Dabhikkar and Bengtson (2004), Al-Khawaldeh and Sloan (2007), Corso et al. (2004) and Marin-Garcia et al. (2008). Unfortunately, many organizations still face difficulties to implement this concept in an effective way (Pedro, 2011).

Despite the important role of Kaizen champion to ensure the sustainability of kaizen
implementation in the manufacturing sector particularly automotive industry, studies that look into the roles and responsibilities of a kaizen champion in conducting kaizen remain lacking especially in Malaysia. Therefore, it is still worthy to examine how they perceive the importance of kaizen implementation in their companies and the roles and responsibilities of a kaizen champion since whether or not kaizen is successfully implemented in a company relies much on the efficiency of a kaizen champion.

In view of the foregoing, the objectives of this study are to examine the perceptions of kaizen champions on the implementation of kaizen in their companies and their roles as kaizen champions in conducting kaizen in their company. Therefore, the study aims to answer the following questions:

1. What are the perceptions of kaizen champions on kaizen implementation in their company?
2. How do kaizen champions perceive their roles in kaizen implementation in their company?

This paper has been structured as follows. This section provides an introduction to the study as well as the research objectives and research questions. Next is the Literature Review which presents relevant past studies on kaizen and followed by the Methodology section which discusses the method used in the study. The Results section is the fourth section explaining the findings of the study and lastly, the Conclusion.

**LITERATURE REVIEW**

Kaizen strategy is one of the most important concept in Japanese management. It has been successfully developed by Toyota Motor Company which later become the key principles of Japanese manufacturing after the World War II to minimize waste and optimizing process efficiencies (Imai, 1986). The term kaizen become more apparent by scholars and experts around the world after Masaaki Imai published his first book in 1986 entitled “The Key to Japan’s Competitive Success (Manos, 2007).

Kaizen is a Japanese word which is formed from the word “Kai” meaning change and “zen” which is defined as the better (Palmer, 2001). It involves a gradual improvements and a change for the better. When applied to the workplace, kaizen means continuing improvement that involves the participation of everyone in the organization from top management to managers and workers (Imai, 1986). To start kaizen, first it requires the need for one to recognize that a problem(s) exists. Thus, kaizen also emphasizes the need to have problem-awareness as a way to identifying problem. Apart from that, workers need the ability to have problem-solving skill (Imai, 1986). According to Imai (1986), the “plan-do-check-act” (PDCA) cycle should be used together with the kaizen strategy to improve process.

**Kaizen Implementation in Companies**

Kaizen has been widely used by the industry. Kaizen activities are part of the daily routine done by the employees that requires a low financial investment with majority of its improvement take place in an incremental or gradual way (De Lange-Ros and Boer, 2001). The objective is to achieve improvements in costs, quality, flexibility (Bessant et al, 1993) as well as in productivity (Choi et al, 1997). This is because kaizen helps to improve employee’s accountability and commitments towards their works (Ramadani and Gerguri, 2011). The participation of the
employees in their effort to make the improvement through identification of problems and finding the root cause, as well as providing the right solutions is the key to the success kaizen implementation (Vonk, 2005).

In companies, there are few methods to implement continuous improvement such as through the individual suggestion scheme or problem solving team that works within their responsibilities such as quality circles or cross-functional groups (Garcia Lorenzo and Prado Prado, 2001; Grutter et al., 2002; Kerrin and Oliver, 2002; Marrin-Garcia et al., 2008; Rapp and Eklund, 2002; Sillince et al., 1996). According to Ramadan and Gerguri (2011), the successful implementation of Kaizen activities has enable many Japanese companies to be successful in implementing a high quality standard for their products, production processes, services and employee skills.

Kaizen has been introduced as a tool in the Toyota Production System (TPS) to ensure a continuous search for excellence and innovation with the objective to increase productivity and reduced costs (Vento et al, 2016). Through kaizen activities, firms are able to smoothen their manufacturing operation by removing any wasteful activities that does not give value to the customer perspective (Venkataiah and Sagi, 2012). Neeses (2007) point out that Kaizen has helped companies to improve work processes and implement lean manufacturing throughout the supply chain. Manos (2007) for instance has found that kaizen activities has helped companies to save money through inventory cost reduction.

The Role of Kaizen Champion

Kaizen activities can be regarded as an organizational process that strive to instil a culture that focused on incremental improvement. To make these behavioural changes possible, the organization need to have a leader that is capable to induce the changes into its organization structures (Oprime, 2012). Therefore, managers who acts as the kaizen champion can play a very important role as leaders in the implementation of those changes. The demand of a specific leadership attitude among those involved in the kaizen activities are very important as to encourage the participation of all members in the company. Sutari (2015) states that it is important for those kaizen champion to take the challenges to implement those changes in order to guarantee that the organization can adapt successfully to new circumstances. Small companies are argued to have more influential kaizen champion (Bateman, 2003). The kaizen champions are required to perform the tasks as the leaders and motivate employees under their control. They need to work closely with their team members from the initial stage of brainstorming until the completion of the whole improvement process.

The contribution of the employees often been regarded as one of the essential factors that lead to the small and gradual changes. Therefore, when they are provided with some level of empowerment, it will allow them to detect and find resolution to their day to day workplace issues. However, the employee’s involvement in kaizen activities can further be enhanced with proper guidance from the experts. This expert is referred to as kaizen champion. Bateman (2003) argues that a kaizen champion who is knowledgeable in performing kaizen activities and committed to bring continuous improvement to the companies is an important change agent. This is because a kaizen champion can guide the teams through creating team understanding of kaizen processes (Van Aken et al., 2010) and creating team understanding of the lean production philosophy (Lee, 2007).
In addition to that, a kaizen champion should also know how to communicate effectively and applies good management skills in handling their employees (Nonaka & Takeuchi, 1995; Pagell, 2004). Hence, as suggested by Hill (1991), an operation manager who possess those attributes is more appropriate to become the kaizen champion and leads the changes at the operational stage. This is due to the intermediary role of a kaizen champion between the employees and the top management particularly during the transformation period. A study done by Vento (2016) found that one of the important task of the kaizen champion in the kaizen implementation is to build up a good relationship between the management team and the rest of the employees. Adopting such relationship is vital to develop a sense of belongings and trust as well as commitment between the management of various department and the rest of the employees to achieve a particular strategy (Yuan and Shen, 2011).

Managers who are also a kaizen champion plays a vital role in identifying and developing essential training requirements in quality tools, problem-solving skill and teamwork techniques (Aoki, 2008). In another study by Vento (2016) found that managers need to provide an opportunity for the employees to be professionally trained on kaizen since the workers are the main driver of change (Vento, 2016). This is because training provide the necessary knowledge needed by the employees to be actively involved in the kaizen activities. Employees who are properly trained will acquire a more efficient and productive methods to solve problems effectively. When the employees feel comfortable, it will encourage them to get more involved with the kaizen activities. In return companies can gain competitive advantage and economic benefits brought by employees being properly trained (Cooney and Sohal, 2004). Teamwork technique, on the other hand, help to maintain positive relationships among the team members and encourage a culture of change in the organization.

The promotion of kaizen within the organizational routine requires team leaders who act as kaizen champion to facilitate day-to-day kaizen activities such as facilitating access to resources and to providing methodological advice to team members (Garcia-Sabater et al., 2009). However, in a study conducted by Sami (2009) found that to make kaizen implementation effective, it requires a change in the management attitudes, particularly how the managers develop a culture within the organization to support the kaizen strategy implementation such as human relationship and empowerment with lower levels. To ensure the implementation of kaizen in a company is successful, the existence of an efficient kaizen champion is vital especially to synchronize the activities in the companies.

**METHODOLOGY**

Past studies reviewed in this paper have mainly adopted quantitative method through survey to collect data. This study however, used a qualitative research design to explore the manager’s perception of their role during Kaizen implementation. Qualitative research is an approach, which uses data in the form of words to study the phenomena of interest and draws on multiple methods of inquiry (Rossman and Rallis, 2003). In addition, the qualitative method allows researchers to retain the holistic and meaningful characteristics of the real-life events (Yin, 2009). The use of interview as a qualitative tool of inquiry allows the researcher to obtain a deep understanding into the issues. Semi-structured interviews were used to collect the data. Semi structured interview was used as it is more suitable for the exploration of opinions of respondents to the new, complex and sensitive issue. The other advantage of semi-structured interview is it provides different
vocabularies in terms of the answers given by respondents making it more reliable than structured interview (Barriball & While, 1994).

The questions that were used in this interview were strictly designed based on four main criteria. First, the questions asked are open ended. Second, no leading type of questions to avoid biasness. Third, the questions are designed to be short and specific to maintain conciseness. Lastly, the language used is understood by the participants (Newton, 2010). Participation in this study was open to all organizations that have implemented Kaizen activities in their organization for at least one year. The interview sessions were audio-recorded and later transcribed in order to generate a written interview report. The questions asked were formed based on the research questions, categorized and coded using thematic analysis as proposed by Braun and Clarke (2006). To ensure accuracy of the transcription, other members in the research group had been asked to check on the interview transcripts and themes.

For the purpose of this study, 15 participants from automotive industry as presented in Table 1 below were interviewed and each interview took an average of one hour to complete. The interviews were conducted from April 2016 until November 2016. To ensure confidentiality and anonymity, the interview participants will only be identified as for example “Participant no.1” in the study. Automotive industry has been selected in this study because it is one of the main and crucial industries in the manufacturing sector in Malaysia. Automotive industry particularly is regarded as the “industry of industry” which has the potential to drive industrialization ahead due to its linkages and spill-over effect on other manufacturing industries (Dicken, 2007). The components and parts suppliers were chosen because the competitiveness of the Malaysian automotive industry is very much depending on the auto components and parts sectors ability to control the quality, efficiency and delivery capabilities.

Table 1.0 Profile of interview participants

<table>
<thead>
<tr>
<th>Participant No</th>
<th>Job Tenure</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>21 years</td>
<td>Senior Operational Manager</td>
</tr>
<tr>
<td>2</td>
<td>27 years</td>
<td>Executive Continuous Improvement</td>
</tr>
<tr>
<td>3</td>
<td>3 years</td>
<td>Executive and Coordinator for Lean Production System Programme</td>
</tr>
<tr>
<td>4</td>
<td>26 years</td>
<td>Production Manager</td>
</tr>
<tr>
<td>5</td>
<td>25 years</td>
<td>Head of Satellite Plant</td>
</tr>
<tr>
<td>6</td>
<td>9 years</td>
<td>Supervisor Quality Division</td>
</tr>
<tr>
<td>7</td>
<td>3 years</td>
<td>Senior Executive Quality Management</td>
</tr>
<tr>
<td>8</td>
<td>4 years</td>
<td>Executive Management System</td>
</tr>
<tr>
<td>9</td>
<td>9 years</td>
<td>Supervisor Supplier Kaizen Unit</td>
</tr>
<tr>
<td>10</td>
<td>23 years</td>
<td>Senior Manager Production</td>
</tr>
<tr>
<td>11</td>
<td>17 years</td>
<td>Kaizen Manager</td>
</tr>
<tr>
<td>12</td>
<td>15 years</td>
<td>Senior Manufacturing and Auditing Engineer</td>
</tr>
<tr>
<td>13</td>
<td>2 years</td>
<td>Industrial Engineer</td>
</tr>
<tr>
<td>14</td>
<td>2 years</td>
<td>Lean Engineer</td>
</tr>
<tr>
<td>15</td>
<td>23 years</td>
<td>Assistant Production Manager</td>
</tr>
</tbody>
</table>
EMPIRICAL RESULTS
The interview findings indicate that it is a normal practice for companies to have a kaizen leader or a kaizen team consists of facilitators, also known as kaizen champions, who are responsible to coordinate kaizen activities in companies. They are possibly the persons who are accountable for the enhancement as a result of conducting kaizen activities. According to the interview participants, the facilitators generally represent the company's management team. One of their main responsibilities is to appoint a person to lead and administer the kaizen team. The person-in-charge to lead the team must be conversant in all of the kaizen process, experienced and competent. Their positions and seniorities in the organization in this case are less important compared to their capabilities to administer kaizen activities. An interview participant for instance, elaborated kaizen champion as follows.

“Yes. We called it as a Kaizen leader. From the Kaizen leader, they formed a Kaizen team. From this Kaizen team actually, when we set a target or any theme to do the Kaizen, then this group will implement it.”

(Participant no. 3)

The interview participants also agreed that kaizen implementation is crucial and important in ensuring continuous improvement are performed in their companies.

“As mentioned by Tashiono, the founder of Toyota “Having no problem is a big problem”. So, if we do not do something, for example, companies like Nokia, Motorola, they had to stop their operations or reduce their operations because they do not have initiative or new things to sustain in this competitive business world. We must always perform improvement from time to time, for every work process and product”.

(Participant no. 2)

When probed further, they suggested that kaizen can bring many advantages. For example, an interview participant suggested the following advantages:

“It is important. One of it to ensure cost saving. Cost saving results in increase of profit and increase efficiency”.

(Participant no. 6)

Based on the interviews, at the initial stage, the leader will discuss the improvement project with the facilitator, delimit the extent of improvement, select the team members and later include them in discussions with the facilitator. The team leader performs groundwork study for the whole activities, list down all his or her findings and communicates them to the team.

“We will be involved in the planning and implementation of the project”.

(Participant no. 10)

The kaizen champions from the interviews agreed that as leaders, they are required to handle discussions and preliminary sessions to brainstorm ideas including preparing the outline for each meeting. Once the team moves to the forming and implementation level, the team leader will
include other team members, and sometimes at this stage it involves induction and training. As kaizen team leaders, they also anticipate other members to express their recommendations and concerns so that necessary discussions or actions can be taken. The interview participants indicated that team members’ involvement at this point is very crucial to ensure that the kaizen activities succeed.

“My role is, firstly to provide motivations to other staff so that they could come out with ideas.”

(Participant no. 4)

For a team leader to be effective, the interview participants agreed that other team members and facilitators must provide full support to the team leader. A kaizen leader expects the facilitator to give the mandate so that the kaizen leader can plan the activities clearly. The reporting and control system must be clear and precise. Every member must participate and share their expertise.

“They work in group and they are from all departments, production, and even HR is also involved in this programme because sometimes, when we involved in training, we need HR to help us to identify any staff that requires any special training for LPS. The R&D also involved in this because if we do not have any team members coming into this group, it is very difficult for us to implement the Kaizen.”

(Participant no. 3)

Apart from teamwork from other team members, frequent trainings are also important to ensure all team members are always up to date with the latest information and skills in implementing kaizen. While frequent trainings are costly, they could possibly provide the most recent practice in their respective fields which in return will reduce the cost of rejected products in the long term. They will normally follow the standard training programmes provided by the parent company or the Headquarter.

“Yes, we have. We have many classroom trainings, then there are QCC trainings for instance to detect problems and how to choose the counter measure appropriate for that particular problems”.

(Participant No. 8)

In addition to that, support from the top management is also important to ensure kaizen champion could perform their duties smoothly. This is because, lower level employees prone to perceive that kaizen practice is important if top management supports the kaizen activities.

“...first, it is the top management commitment”.

(Participant no. 7)

“To me, firstly, the top management must understand why we do and what to do”.

(Participant no. 15)

CONCLUSION
The findings from this study improve our understanding on kaizen implementation. The findings which came from interviews with kaizen practitioners generally support previous studies on kaizen implementation. The findings indicate that a kaizen champion is important in a company to
ensure successful kaizen implementation. This is because a kaizen champion will be the responsible person to conduct the kaizen activities in a company. Thus, it is important to choose the correct person with the relevant attitude, skills and experience to be the kaizen champion. In addition to that, teamwork with other members, trainings and support from the top management are also important to ensure kaizen champion could perform their roles efficiently.

The findings of this study are beneficial for companies which have difficulties in implementing kaizen or which would like to implement kaizen in their organization. While there are many factors which could possibly influence the successful implementation of kaizen, having the right kaizen champion is undoubtedly important. The findings are also useful for the relevant government agencies to plan strategies in helping manufacturing companies particularly in automotive industry to develop their kaizen programmes. Future studies in kaizen should attempt to examine other sectors such as halal and Islamic financial service industries since both industries contribute significantly to our economy.

References:


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