

Kaizen Lean business model

As a result of a recent big tsunami of financial meltdown and economic contractions, customer expectations for better quality and lower price are getting more strengthened than ever before.

The traditional business model that sustained many companies during the balmy times in the past has suddenly become dysfunctional, and we urgently need to embrace a new business model to tide over and survive the tsunami and prosper.

The traditional model was characterized by employing abundant resources, wastefully and seeking short-term gains by cost-cutting. The new model, which is called the “kaizen lean” model, employs minimum resources for maximum effects and continually eliminates non-value adding activities in order to obtain long-term benefits by operational cost-management.

The current recession has vividly disclosed the shortcoming and weakness of the traditional model against the lean model as is shown in the performance of the Big Three Detroit companies.

The kaizen lean model was originally developed by Toyota in the middle of the last Century and its competitive advantages have been known for over 30 years.

And yet, many companies have so far failed to embrace it for such reasons as the top management’s failure to recognize the advantages of the kaizen lean model, the long-term nature of embracing the lean model on the company-wide basis and the kaizen concept on which the lean model can be constructed. It truly transform the culture/thinking and the gives organizations the structure and tools to effectively transform in order to meet the ever changing needs of their clients.

Another reason has been the operational complexity of introducing the kaizen lean model.

Recently Kaizen Institute has identified flow, synchronization and leveling (FSL) and kaizen as the key performance indicators to assess the operational lean-ness of an organization and is ready to offer a brand new approach which is visual, practical and dramatic and help clients to attain the world-class lean status.

I and my colleagues will be happy to visit your gemba (where the activities are happening) to conduct such assessment in one day. As I am now

writing my third Kaizen book on the subject of kaizen Lean FSL, my presentation will include the preview of the book as well.

With my best personal regards,

Masaaki Imai

Founder