

Sensei speaks

As the World Cup was being fought out on the soils of Japan, Gay Sutton drank tea with Takeshi Kawabe, and learnt about the continuous effort of Kaizen

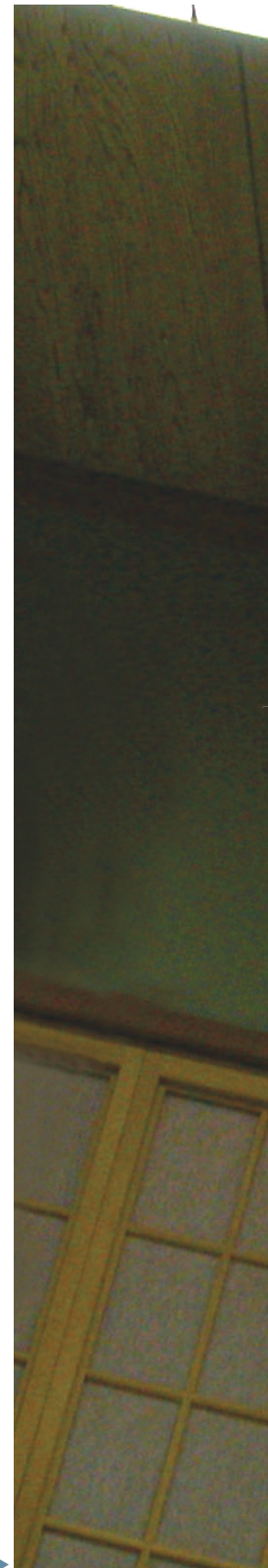
At the age of 64 having retired from manufacturing in Japan, Takeshi Kawabe has become managing director of Gemba Research, and is perhaps even busier than he was during full time employment. Looked upon in his own country as a Sensei - guru or master - of Kaizen and lean manufacturing, he travels through Japan, the United States and occasionally Europe, to share his knowledge and experience. He learned in a tough school, and is neither afraid to speak with abrasive honesty nor to confess his own shortcoming, and yet more often than not, there is a wicked glint of humour in his eyes. "I am doing penance," he said with a smile, and bowed his head as our interpreter translated his words. "In my earlier life I did a lot of things that flew in the face of Kaizen." But that was before he met Taiichi Ohno, an event that was to change his life. "There was a monster of Kaizen at Toyota, and if I hadn't met that guy I would have had a much easier life."

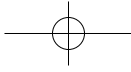
Not at all abashed by the enormity of what he was saying, he launched into the story of how he became a disciple of Japan's greatest manufacturer. There is nothing easy about the life of a disciple, it requires courage, commitment and determination to overcome all the obstacles, and that's how it was for Kawabe. About seventeen years ago, he was working successfully for a company called Showa Manufacturing in Kyushu, achieving record productivity and implementing the latest technology and processes, when the president of his company invited Ohno to view the factory, and to advise them on how to begin Kaizen. "I was in the prime of my working career," Kawabe explained, "I had worked hard on the factory layout, and made it exactly how I wanted it. Output was excellent, and I was imagining that Ohno would tell me what a great manager I was. What do you think he said? He

told the president of my company: 'If this idiot keeps running your factory, you're going to go bankrupt. You'd better cut your losses right now. You should do the exact opposite of what he has been telling you. Stop making things!' Well, this seemed incomprehensible to me as we were very profitable, and productivity was high. But he was the expert, and looked upon as the God of manufacturing in Japan."

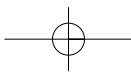
So at a board meeting they decided to offer Ohno directorship of the company, and ask him to teach Kawabe exactly what he meant. In an ideal world, that would have been the end of the story, but it was only the beginning of Kawabe's very long struggle for knowledge. "We visited Ohno in Nagoya and invited him to be a board member offering him a salary equal to that of our president. Ohno simply beat about our heads and replied: 'Get out of here. Go home right now. Even monkeys don't make the same mistake twice.' But then he said something that even at the time, I realised was very good advice. 'You have to make your own route for your life. You can't rely on people making it for you. Through the trials of life you can see the truth. The real truth is there in your daily struggle. Look at the problems you have had and try to learn from them. Stop thinking everything's going to be black and white. Life's not that easy. There are a lot of difficulties, and by working through them you can overcome them.'" This of course was the very essence of continuous improvement - Kaizen.

Determined to find out why he should not be producing things, Kawabe went back again and again, but found it impossible to get past the guard at the gate of the Nagoya factory. Eventually realising that he would not go away, one of the guards suggested he should visit another site where the security was not so high. On the day of Ohno's visit, Kawabe walked up to the guard and





interview





Takeshi Kawabe

1935

Born in Fukuoka prefecture, Japan

1955

Joined Showa Manufacturing. Career spanned management positions in purchasing, quality assurance, overseas business and progressed to plant manager, and executive director

1983

Life and career changed direction when he met and began to learn from Taiichi Ohno, founder of the Toyota Production System

1999

Currently working as an advisor and consultant with Gemba Research, travelling to 12 countries, helping over 40 companies with kaizen and the Toyota Production System

said: 'I have to see Mr Ohno right away. I'm an old friend of his,' and was allowed in.

Kawabe recounted what happened next with a smile. Ohno, vice president of Toyota, said: "So, you did come after all. Ah well, perhaps even monkeys learn from their actions." And that was the beginning of a long learning process that continued even after the Toyota man's death. "I have spent the last fifteen years learning, and what he taught me was that you should never manufacture to stock you should only make-to-order. If you don't stop making things you don't need, you won't be able to make the things you do need. If you make something too early, then something else will have to be delayed. You will not be profitable if you're wasteful. If you want to make a profit, get rid of the waste. He opened my eyes in a lot of ways."

But, he says, companies around the world, and particularly in Japan are still doing it all wrong. He consults in 12 countries, 40 different companies, and he believes these habits must change. "The problem is that they are producing more than they need and this is placing them in danger of bankruptcy."

This emphasis on the need to improve manufacturing in Japan was something of a surprise to me, as Japanese manufacturing is held up to be the best in the world. "That is certainly true of Toyota," Kawabe asserted. "Canon is also very good at Kaizen, Sony has only been doing it for two or three years and is showing some good results, but the vast majority of manufacturers are only just beginning to move convincingly in that direction."

But surely introducing changes of this magnitude must be expensive, and the economic climate in Europe and Japan rather prohibits big investment. "True. Investing is hard, but you don't need extra resources for lean manufacturing, what you need to do is to reorganise - change the way you think. You need to operate on a just-in-time basis, introduce takt time,

ensure you have flow and that it moves in a pull and not a push fashion." One piece flow is a vital part of this, he believes. If you are producing 100 items for your customer he might only want one, or 10 at a time. If you can't deliver until all 100 are completed, then the customer will go elsewhere. By working on each part until it is finished, you can cut down hugely in time and waste. "And the other thing you have to do is introduce Kaizen. I would say that 90 per cent of all improvements come from failures. Kaizen is

one of the biggest battles of the mind. You must keep learning from your mistakes. And in order to succeed, I think you have to be either in a very tough financial position or to love money."

He cited the example of Ohno at Toyota. The Toyota Production System (TPS) grew out of the impossible situation Toyota found itself in. The banks in Japan were unwilling to invest in automotive manufacturing, as it was perceived to be a European and American speciality, and therefore they expected it to fail. "Many times, Toyota was on the verge of bankruptcy, and had its back against the wall." It could not pay its staff, had no money for inventory, and so out of necessity it developed just-in-time and introduced a company culture very different to the traditional Japanese one. "Ohno would not gamble the company, and therefore the livelihoods of all his staff, on a forecast. Nissan has gambled in that way and lost very heavily," Kawabe commented.

In its early industrial years, Japan had cheap labour and copied technology from the US and Europe, so its products and exports were cheap. The roles are changed now, and Japan is experiencing the very same problems as the UK. Because labour is so very much cheaper in China, much of the repetitive mass produced manufacturing is outsourced there, and Japan is concentrating on the high quality - value end of the market.

"The market itself has changed too. Customers no longer make a deliberate decision to buy Japanese or British, they buy the goods they want. There's no emotional tie to national products now," he commented. "Take a clothes manufacturer in Japan. Most of his production will be

outsourced to China. But what happens if a certain size in a certain line sells quickly? If the customer doesn't find that item on the rail, he will go elsewhere, and the sale will be lost. So what the manufacturer should do is to

mass produce in China, and then manufacture to order here in Japan, to top up any lines that are selling quickly. That way the customer is happy, and sales increase. The challenge for us all is to make unique customised articles.

"And the rest of the world still doesn't quite understand how to do it yet. So there will always be plenty of opportunity for us if we can customise to the whim of our customers and deliver at the speed they require," he concluded. ●

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