Kaizen and *Monozukuri*: The distinguishing factors behind Japanese manufacturing quality

In the face of regional competition, Japanese manufacturers continue to distinguish themselves through *kaizen*, *monozukuri* and continuous product development finely attuned to the needs of clients, industry and society.



"We have long been challenging competitors with KEM's *monozukuri*"

Kyoko Kishimoto, President, Kyoto Electronics Manufacturing Co., Ltd.

Speaking to the CEO or president of any Japanese manufacturing company about what gives Japan the competitive edge in the face of increasing regional competition over the past few decades, the conversation will undoubtedly turn to the topics of "*monozukuri*" or "*kaizen*".

The distinctive and unmistakable quality for which Japan is renowned can be mainly attributed to *monozukuri*, a long-standing philosophy held by Japanese manufacturers that focuses on pride, skill, dedication, high-quality production and the constant pursuit of innovation and perfection. A closely related concept, '*kaizen*', meanwhile, meaning "change for better", focuses on continuous improvement.

In the context of Japanese manufacturers, the *kaizen* concept encompasses working to continuously improve products, the productions processes behind those products, as well as constantly developing new solutions and innovations that are closely aligned with customer and market needs.

Toyota made *monozukuri* and *kaizen* famous in the business world some years ago. But beyond being buzzwords in the world of Japan's corporate behemoths, they are concepts devotedly and sincerely followed by Japanese manufacturers at all levels, and particularly those smaller specialized companies who develop parts, machinery and components on which bigger companies – including Toyota and many more in Japan and across the world – depend to build end-user products. As these *chuken kigyo* – strong, agile, tech-savvy and innovation-driven companies – work behind the scenes, they are often referred to as the "hidden champions" of Japanese manufacturing, constantly innovating and improving their products and processes for the benefits of their clients, industry and society.

"We believe that it is our responsibility to accurately grasp the needs of our customers and deliver the best products that are needed; delivering the best products naturally guarantees quality. This is what I think of as the essence of *monozukuri*," says Masami Iida, President of Oiles Corporation, which develops high-quality bearings for a wide range of industrial clients.

"The most famous example that is easy (for foreigners) to understand is Toyota's '*kaizen*'. We prioritize the position of our customers who appreciate the high quality and functional side of our products rather than prioritizing the price."

Indeed it is this focus on high-quality and not low prices that distinguishes Japanese from Chinese competitors – as well as this strict adherence to *monozukuri*, *kaizen* and development finely attuned to customer needs.

"When we talk about the Japanese culture of *monozukuri*, the essence of this is to include fine adjustments and technology to suit the needs of the clients," says Masataka Ushio, President of Ichikawa Co., Ltd, which develops parts essential to paper-making and high-tech industries such as automotive and semi-conductors. "We are seeing many Japanese companies that are still surviving despite the competition from the emerging countries. The most successful Japanese companies are the ones who understand the varying market needs for both the products and services in different markets globally."

KEM: analyzing *monozukuri*

On the topic of facing competition, President of Kyoto Electronics Manufacturing Co. Ltd (KEM) – which develops high-precision analytical and measurement equipment for a wide range of industries – Ms. Kyoko Kishimoto admits: "Historically, western countries have been a little bit ahead of us regarding analytical technology and price competitiveness. We have long been challenging those competitors with KEM's *monozukuri*."

Indeed KEM's business focuses on providing high-performing analytical devices, such as its Karl Fischer Moisture Titrators, to help its clients achieve their own *monozukuri*. Having gained a stellar reputation among clients in Japan, KEM aims to strengthen its presence abroad, leveraging on its strong capabilities of delivering customized, tailor-made solutions to its clients.

"We try to provide the proof that the devices we produce, for example analyzers, are highly accurate," says Ms. Kishimoto. "This accuracy gives the users a sense of security or assurance. When we talk about security or assurance, that is directly linked to the actual value that comes out from the analyzers or the measurement devices we produce."

As is often the case with Japanese presidents, the conversation with Ms. Kishimoto again returns to the high-level idea of *monozukuri* and particularly the importance of ensuring the concept is passed onto Japan's next generation of business leaders and manufacturing craftsmen.

"The succession of the techniques from the senior people to the next generation is very important. Of course, new generations have their own new and fresh ideas. We think that mixed and combined technology with old and new ideas would be the foundation for producing good products," she concludes. "I would like to succeed in that aspect of manufacturing in the future through our *monozukuri* process, which joins the spirit of traditional Japanese craftsmanship to the product."

