Kaizen Institute Healthcare Tour Highlights

The week of November 17, Kaizen Institute led a very successful study tour across Japan, visiting organizations in the Nagoya, Fukuoka, and Tokyo areas. The tour was led by Christian Wolcott, a Senior Consultant for Kaizen Institute USA, and was co-facilitated by our guest Mark Graban, author of the books “Lean Hospitals (Productivity Press, 2nd edition, 2011)” and “Healthcare Kaizen (Productivity Press, 2011)”. Eighteen physicians and healthcare executives from seven countries across four continents participated, with one attendee saying, "I sure did learn a lot, specifically about a different kind of leadership that empowers the employees."

Monday – Lectures and Toyota

As the group gathered in Nagoya on Monday morning, the tour was kicked off with an introductory lean lecture given by Christian Wolcott. He emphasized key KAIZEN fundamentals, such as "all people have the fundamental ability to contribute" and that lean is not about "expert solutions, but about engaging people." The group was joined by Masaaki Imai who talked about the need to motivate managers for KAIZEN activities, as he emphasized that "this approach is not necessarily a Japanese approach... it's simply a good managerial approach" that we can all adopt.

In the afternoon, the group visited Toyoda City and toured the Tsutsumi plant that builds Prius, Camry, and Premio models. The tour guide emphasized key aspects of the Toyota Production System as the group walked and viewed assembly operations from an overhead catwalk. The tour guide emphasized KAIZEN and continuous improvement, pointing out the plant's "eco-KAIZEN" daily improvements and even showed off a KAIZEN improvement of her own (adding convenient hooks for her to hang her bag at various stops along the tour route). Seeing employees pushing "andon" buttons and seeing team leaders respond emphasized the quality culture of Toyota. The group also had an opportunity to learn more about the company and its production system in the Toyota museum.

Tuesday – Visiting Two Nagoya Companies

On Tuesday, the group visited two very different companies in the Nagoya area, illustrating how lean and KAIZEN principles apply even outside of a high-volume assembly line setting. Both companies highlighted their formal "quality circle" activities, where teams of front-line employees use a structured “plan, do, check, and act (PDCA)” methodology to solve a problem over a six-month period.

The first company was a manufacturer of products including train track rails and tunnel boring machines. Beyond the quality circle activities, which usually have five to eight participants, the factory also has a "KAIZEN suggestion system" that anybody can participate in at any time, keeping with Masaaki Imai's theme of KAIZEN being "everybody improving, everywhere, and every day." As we walked the "gemba," our guide emphasized the company's theme of "human-centered management." They believe that "to live is to learn and to learn is to change." As other companies and hospitals explained, the primary goal of "quality circle (QC)" and KAIZEN activities are learning and employee development, with cost reduction or other benefits being secondary. The company also had impressive employee skills training areas, with visual skill matrices posted to track training progress and employee capabilities. The plant has gone more than 2,000 days without an accident.
and has not had a lost-time accident in over five years. The safety record is the result of ensuring that every small incident is reported to prevent large incidents.

In the afternoon, the group visited a food services company that manages over 1’000 cafeterias for manufacturers (including Toyota), schools, and hospitals. The group was greeted by the executive director who explained their approach to quality improvement, which includes the "quality function deployment (QFD)" approach to better understanding customer needs and requirements. The group heard presentations about various QC projects that all followed a structured 10-step PDCA process that started with brainstorming and ranking problems, selecting one to work on over the next six months. Their ninth step, "lessons learned," is "the most important" step in the process, said the executive director. With their KAIZEN activities, "improvement has become the culture of workplace... to make things continuously better, KAIZEN is endless."

Wednesday – Nagoya Area Hospital

The group's last stop in the Nagoya area was a hospital that has had an active “total quality management (TQM)” program for ten years. They also encourage employees to participate in a KAIZEN process, noting that participation is "autonomous and voluntary" and that "it's difficult to do KAIZEN when it feels forced." The hospital emphasizes how employees benefit from KAIZEN by learning and that formal recognition is a secondary benefit. Hospital executives look for noteworthy KAIZENs as they walk through the hospital and give "points" and modest cash rewards to employees. Three quality circle cases were presented for home care, food preparation, and medication administration processes.

The group then visited the pharmacy to see their improvement initiatives first hand. Because there is "limited space," the pharmacy team "has to be creative" and tries to "make work as easy as possible." The group saw the kanban system that is used to order and replenish medications into the pharmacy, as they place orders each weekday from five different suppliers and distributors.

An executive, during a Q&A period, said that "many hospitals have tried KAIZEN, but quit" because "it's hard." It's important for their leaders to provide recognition and words of praise for KAIZEN efforts. They get very high participation rates without a formal "KAIZEN Promotion Office" or a central quality group. The hospital also acknowledges that "patient safety is the most important matter around the world," so the hospital focuses on key measures, such as falls and "takes many actions to get hospital staff to get together and discuss" how to improve safety.

As we heard later in the week, this hospital "learned about lean in the United States," seeing how SS is used at Mayo Clinic and other organizations. This builds upon their TQM program and their efforts to educate managers, continuing monthly study and leadership training sessions that have taken place since 1992.

Thursday – Fukuoka Area Hospital

Wednesday night, the group flew to Fukuoka, the seventh largest city in Japan to visit a larger, 1’100-bed hospital in the area on Thursday. This hospital started with TQM and quality circles in 1992 and recently added "lean management" and Toyota Production System principles to their approach. The hospital learned many concepts, including the use of lean principles to design a new patient tower, from Virginia Mason Medical Center in Seattle, something that started when VMMC CEO Dr. Gary
Kaplan visited the hospital in 2008. They have also learned from a former Toyota employee. Today, they aim to combine TQM, ISO-9000, and lean into a good system.

The hospital's goals for "continuous quality improvement (CQI)" include figuring out "how to accomplish the goals of being the best hospital for patients and the best place to work." A strong focus on developing and growing people allows them to focus on quality and safety, along with employee satisfaction and providing service to society, as equal goals.

There is also an emphasis on KAIZEN and the PDCA cycle, working to develop a KAIZEN culture that is both top-down and bottom-up. When asked how they spread KAIZEN practices, an executive commented that "it's a way of life and we don't know how to disseminate it because we just do it." A leader said the goal is to "have fun when we do KAIZEN." They agree that the most important step of the improvement cycle is "self examination" and reflection, that "training is more important than the results." This applies to their quality circles, "KAIZEN workshops," and "Everyday KAIZEN" approaches.

**Friday – Tokyo Area Hospital**

After flying to Tokyo Thursday night, the group spent most almost the entire day Friday with a local hospital where, again, the CEO is a primary and active champion of their quality and lean efforts. The CEO, a physician, started their TQM approach for quality and continuous improvement after taking that job twenty years ago and that philosophy has evolved to include lean methods.

The CEO focuses on employee satisfaction as well as making sure that each individual is satisfied personally. He says, "Happy employees lead to happy patients, which leads to a happy community." Other elements of the hospital's stated philosophy include:

- "...develops and practices scientific management methods in order to provide safe and quality care..."
- "To realize the goal, everybody needs to work together with a pride and trust and without fear and worries."
- "Work together beyond the departments and each one of you needs to fulfill responsibility and practice continuous improvement of healthcare quality."

The annual management and quality theme for 2014 is "flow – understanding your own roles and improving workflows," with a subtheme of "think for yourselves and take action" (which was the main theme in 2012). Why is that the theme? The CEO said, "Everything starts and ends with flow and quality control. Quality has to be built into the process. The process cannot be KAIZEN-ed until you make a detailed flow chart."

The hospital, unlike others in Japan, has a full-time TQM promotion committee and quality assurance department with four employees. There are also three full-time "system engineers" who, along with the quality department, aim to "make the environment better and make the work easier for our staff... we serve our staff."

The group also heard a presentation from a deputy CEO on engaging physicians in quality improvement and working to get the PDCA mindset and good problem solving practices engrained in the organization.
There were a number of quality circle presentations, gemba visits to multiple departments, and additional Q&A with the leaders. Mr. Graban also gave a 30-minute presentation about lean healthcare activities and trends in the U.S. and other countries.

**Final Thoughts**

Beyond the formal site visits, presentations, and gemba walks, there were many valuable discussions facilitated for the attendees. There were some formal discussions during the group's many bus rides and there were many informal discussions and lessons learned shared over meals. The group shared many wonderful meals and had opportunities to see some of the sites across Japan, not only getting a better understanding of lean, KAIZEN, and TQM, but learning from key insights into Japanese culture, as well.

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