Implementation of Kaizen Organizational Culture On Honda Motor Co. LTd

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Abstract. In Japanese, kaizen means continuous improvement. (continuous improvement). The term includes the meaning of improvement that involves everyone, both managers and employees, and involves a small amount of cost. Kaizen is not dramatic and the kaizen process is implemented on common sense and is low-cost, guaranteeing gradual progress that rewards results in the long run. Kaizen has been the key to Japan's competitive success and has been widely adapted in a variety of application methods. One of the companies that has been successful in implementing this kaizen is Honda Motor Co. Ltd. In its application in the company, Kaizen includes the meaning of continuous improvement that involves all its workers, both top management and lower management (Hitoshi Takeda, 2006:82). The application of Kaizen culture at Honda Motor Company includes the implementation of 5S (Seiri, Seiton, Seiso, Seiketsu, Shitsuke), Total *Quality Management* (TQM).

Keywords: Concept 5S, TQM

I.   Introduction

In Japanese, kaizen means continuous improvement. (continuous improvement). The term includes the meaning of improvement that involves everyone, both managers and employees, and involves a small amount of cost. Kaizen (改善) consists of two kanji, namely 改 (kai) meaning 改め change and 善 (zen) meaning 良い (yoi) goodness. In Chinese it is called gaishan (改善), gai (改) means change or improvement action shan (善

) means good or advantage. The concept of kaizen is a process-oriented way of thinking, while the way of thinking in Western countries is more likely to be about results-oriented reform (Imai, 2005:11). Kaizen philosophy considers that our way of life such as work life or social life or home life should be focused on continuous improvement efforts. Improvements in kaizen are small and gradual. The opposite of innovation, which is used in western management in general, is a massive change through technological breakthroughs, management concepts, or cutting-edge production techniques. Kaizen is not dramatic and the kaizen process is implemented on common sense and is low-cost, guaranteeing gradual progress that rewards results in the long run. So kaizen is a low-risk approach (Handayani, 2005: 5)

Kaizen has been the key to Japan's competitive success and has been widely adapted in a variety of application methods. One of the companies that has been successful in

implementing this kaizen is Honda Motor Co. Ltd. Apart from the business world, kaizen can also be applied to self-development as taught by Anthony Robbins with the term CANI (Constant And Never-ending Improvement) and Robert Maurer as the principle of personal improvement. The core elements of kaizen are the willingness to change, move forward and prioritize quality, always provide consistent effort, employee engagement, and communication. Discipline and teamwork are the main things in improving worker morale to carry out the kaizen quality cycle. All employees must provide suggestions for improvement.

In its application in a company, Kaizen includes the meaning of continuous improvement that involves all its employees, both top management and lower management (Hitoshi Takeda, 2006:82). Kaizen or continuous improvement always goes hand in hand with Total Quality Management (TQM). Even before this TQM philosophy is implemented or before the quality system can be implemented in a company, this philosophy will not be able to be implemented so that continuous improvement (Just in time) is an effort inherent in the TQM philosophy itself. So that Kaizen can also be a comprehensive and integrated unity of views that has the characteristics of being customer-oriented, total quality control (Total Quality Management), robotics, quality control groups, suggestion systems, automation, workplace discipline, productivity maintenance, kanban, quality improvement and improvement, on time, without defects, small group activities, cooperative relationships between managers and employees and new product development.

Honda Motor Company is a Japanese public multinational conglomerate that manufactures cars, motorcycles, and power equipment. The company is headquartered in Minato, Tokyo, Japan. Honda has become a manufacturer. The world's largest motorcycle since 1959, by successfully producing 400 million units of motorcycles by the end of 2019, and becoming the world's largest manufacturer of internal combustion engines with production volume, by producing more than 14 million units of internal combustion engines per year. Honda was the second-largest automaker in Japan in 2001. Honda was also the eighth largest car manufacturer in the world in 2015. Honda Motor Co. Ltd operates under the basic principles of "towards the individual" and "The Three Joys" which is stated as The Joy of Buying. The Joy of Selling and The Joy of Creates. In accordance with these basic principles, since its founding in 1948, Honda has been on the edge of the beginning by creating new value and providing high-quality products at reasonable prices, all over the world for the satisfaction of consumers. The company has grown to become the world's largest, motorcycle manufacturer and one of the automakers. Based on this, this article will discuss the implementation of Kaizen Culture applied to Honda Motor.Co.Ltd.

II. Literature Review

Honda is one of the car manufacturers under the label of Honda Motor Company based in Japan which produces various types of passenger/person transport vehicles or goods transport vehicles. Honda Motor.Co.Ltd. has a vision of 2030: "Serving people around the world with joy in developing their life potential. Leading the way in mobility advancements and enabling people around the world to improve their daily lives." There are two main elements of the vision, namely, "Honda's Universal Spirit" and "Honda's Power".

Application of Kaizen to Honda Motor Company

The Kaizen culture has been the cornerstone of Honda Motor Company's management philosophy for decades. Kaizen's core principles, which are a focus on continuous improvement, have helped Honda Motor Company achieve tremendous success in terms of quality, efficiency, and innovation. Application of Kaizen culture at Honda Motor Company:

1. ***Employee Suggestion System***: Honda Motor Company has a robust employee suggestion system that encourages all employees to submit ideas for improvement. Improve processes, products, and services. Honda receives millions of suggestions every year, and many of them are implemented, resulting in significant cost savings and quality improvements.

2. **Quality Circles:** Honda Motor Company uses quality circles, where small groups of employees meet regularly to discuss problems and find solutions to improve their work. The Quality Circle has helped Honda to identify and resolve issues quickly and efficiently.

3. **Preventive Maintenance:** Honda Motor Company emphasizes on preventive maintenance to prevent engine and equipment damage. This helps to reduce downtime and improve product quality.

4. ***Work* Standardization**: Honda Motor Company has clear work standards for each task, which helps to ensure consistency and quality.

5. **5s (Seiri, Seiton, Seisou, Seiketsu, Shitsuke):**
   a. **Series**: Honda performs the separation of necessary and unnecessary items in the workplace. This involves identifying frequently used tools, parts, and materials, and removing or moving unnecessary items to reduce clutter. Unnecessary items are eliminated to reduce waste and create a more efficient workspace.
   b. **Seiton**: Honda ensures that all tools and materials are placed in the most logical locations for quick and easy access. Each item has a clear and well-marked place.

The workspace is arranged in such a way as to minimize search and movement time, thereby increasing productivity and efficiency.

c. **Seiso**: Honda emphasizes the importance of regular cleaning in the workplace. Each employee is responsible for keeping his or her work area clean and free of dust and dirt.

d. **Seiketsu**: Processes and practices related to 5S are standardized across Honda's plants and facilities. This ensures consistency and efficiency in the implementation of 5S. Standard procedures are well documented and employees are provided with regular training to ensure they understand and follow the set standards.

e. **Shitsuke**: Honda emphasizes the importance of maintaining and sustaining 5S practices. Employees are encouraged to constantly apply the 5S principles in their daily work. The implementation of 5S is regularly audited and evaluated to ensure compliance and identify areas for improvement. Feedback from the audit is used to develop corrective actions and continuous improvement.

f. ***Total Quality Management*** **(TQM):** Honda Motor Company Implements TQM, which is a management approach that focuses on quality in all aspects of the business. A public company from Japan, PT Astra Honda Motor, is one of the companies that has implemented TQM in Indonesia since 1983 (June, 2016). The operation of this system is aimed at encouraging product quality and it is expected that Honda's defective products are at a definable level. TQM clearly made a significant contribution to PT Astra Honda Motor as shown by the gold medal award "Indonesian Best Brand Award" in 2017 and the "TOP Brand" award in 2018 which was won by PT Astra Honda Motor (astra-honda.com, 2018).

III. Research Method

This research method uses a qualitative method that is descriptive in nature and analytical which seeks to describe a form of research activity process, as well as describe the results that have been carried out in the research. This study also uses a qualitative method that is descriptive and analytical by using a case study approach. According to (Sutedi, 2011, p.61) a case study is a research that is carried out focused on a specific case to be observed and analyzed carefully until it is complete. The case in question can be a single or plural case, it can be an individual, group, or a specific society. Case studies tend to examine relatively many variables in relatively small sample units (Ratna, Nyoman Kuntha, 2010, p.192)..

IV. Results and Discussion

Benefits of Implementing Kaizen in Honda Motor Company Ltd.

The implementation of Kaizen at Honda Motor Company has resulted in a variety of significant benefits that have contributed to the company's success. Here are some tangible results from the application of the Kaizen principle in Honda:

1. **Increased Productivity:** Through the elimination of waste and optimization of the production process, Honda has succeeded in increasing output without the need for a proportional increase in resources. A more efficient production process allows Honda to produce more vehicles in less time.

2. **Reduced Production Costs:** By identifying and eliminating waste in the manufacturing process, Honda has managed to reduce production costs. This includes reducing the use of raw materials, energy, and time. The use of lean manufacturing principles has helped Honda reduce overall operating costs.

3. **Higher Product Quality: The** implementation of strict quality control and continuous inspections has improved the quality of Honda's products. The Kaizen process encourages defect identification and repair as early as possible, thereby reducing the rate of defective products and improving customer satisfaction.

4. **Innovation and Product Development:** A culture of continuous improvement and employee involvement in providing improvement suggestions has driven innovation. Honda consistently produces new products and upgrades existing products, better meeting market needs.

5. **Increased Employee Engagement and Moreal:** By involving employees in the improvement process and giving them a voice in decision-making, Honda has managed to improve employee engagement and morale. Employees feel valued and motivated to contribute to the company's success.

6. **Improved Occupational Safety**: The 5S method and focus on an organized and clean work environment have improved safety in the workplace. This reduces the number of accidents and incidents at Honda's production facilities.

7. **Sustainability and** Eco-friendliness: Honda has adopted eco-friendly practices as part of the Kaizen initiative. Waste reduction, energy efficiency, and the use of green technology have helped Honda reduce its environmental impact.

8. **Strengthening Global Competitiveness:** By improving efficiency, quality, and innovation, Honda remains competitive in the global market. The ability to respond

quickly to market changes and customer needs gives Honda a strategic advantage over its competitors

9. **As a High-Quality and Innovative Manufacturer:** As a result of the implementation of Kaizen, Honda has managed to build a reputation as a manufacturer of high-quality and innovative vehicles. The company continues to grow and expand its global market, demonstrating that Kaizen's principles make a significant contribution to Honda's longterm success.

V. Conclusion

The implementation of Kaizen at Honda Motor Company has succeeded in improving various aspects of operations, Honda implemented Kaizen to identify and eliminate (young) waste in the production process. This includes reduced cycle times, workflow optimization, and increased resource usage, from productivity and efficiency to product quality and employee engagement. Through a continuous improvement approach, Honda is not only improving its internal performance but also strengthening its position in the global market, ensuring the company's long-term success and sustainability. Kaizen, which means "continuous improvement" in Japanese, is an approach that emphasizes continuous improvement in all aspects of an organization. Honda has integrated Kaizen in every level of the company's operations.

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