

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

**AN EXAMINATION OF KAIZEN DRIFT IN JAPANESE GENBA:
IMPLICATIONS FOR BUSINESS IN THE ANGLOSPHERE**

**A THESIS PRESENTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
DOCTOR OF BUSINESS AND ADMINISTRATION
AT MASSEY UNIVERSITY, MANAWATU, NEW ZEALAND**

WAYNE GORDON MACPHERSON

2013

ABSTRACT

In attempting to decode the industrial competitive success of Japan, researchers in the Anglosphere have predominantly identified with the highly visible tools and methods of the quality management philosophy of kaizen. However, due to data collection methodologies and significant cross-cultural limitations kaizen appears to have been largely *misinterpreted* and *misunderstood*. This ‘gap’ has resulted in literature riddled with deterministic models of mechanical methodologies promoted to pursue business excellence. Further, there has been a plethora of attempts at transplanting Japan-centric tools and techniques, with little – if any – regard for the country’s individual and indigenous social characteristics.

To deepen understanding of kaizen a phenomenological study was conducted in middle-to-large sized industrial companies in Japan to investigate Japanese workers’ perspectives of kaizen. Two parallel and complementary philosophies of the pursuit of business excellence were identified. The Japanese thread explored how Japanese workers acknowledge and exercise kaizen; and, the Anglosphere thread examined how workers in the Anglosphere attempt to adopt and practise kaizen. In the Japanese context, society is identified as being highly bounded with little opportunity for individual creativity. Many Japanese industrial organisations, being active kaizen environments, channel worker creativity and expressions of individuality into bounded environments, or kaizen audiences, providing a counter-point to social and cultural requirements. In addition to Japanese-style management, this has resulted in the production of tangible kaizen tools and methods, as easily identified by Anglosphere researchers and practitioners.

The primary contribution to knowledge this research presents is the development of understanding of the utility of the kaizen phenomenon. Kaizen in industrial settings in Japan is found to be both culturally bounded and contextually dependent, and far beyond continuous improvement; differences in the perceptions of older and younger workers are seen to exist as kaizen drifts across generational boundaries; active programmes are maintained to ensure that kaizen remains embedded in both the individual and the organisation; and, the simplistic diffusion of kaizen to

Anglosphere organisations is observed to be an unlikely guarantee to sustainable business excellence over the longer term, as it has in Japan. This research reports that the only likely viable means to sustainably diffuse kaizen in Anglosphere domains is for business leaders to return to *square one* and instil an implicit, comprehensive understanding and appreciation of kaizen; and, acquire and develop recipient-organisation-centric tools and methods. Such a new approach could provide practitioners in the Anglosphere the means to adopt and sustain kaizen thinking and practice, and a gateway to sustainable competitive advantage.

Keywords:

Anglosphere, conformity, creativity, culture, diffusion, drift, genba, intergenerational, Japan, kaizen

ACKNOWLEDGEMENTS

My DBA Journey originally sought discovery of the enablers and drivers of the Japanese economic miracle. Enquiry soon identified the underpinning Japanese philosophy of kaizen, not as a theory of explanation but as a metaphor for understanding. Beginning with a series of generalist questions and progressing through to academic enquiry, this study has provided abundant fruit, and I would like to take this opportunity to acknowledge a very special circle of people who have provided invaluable knowledge and support. Unfortunately, these words will not truly express my appreciation for the contributions and encouragement received.

My wonderful wife Hiromi initiated the first step of this journey after late night discussions contemplating answers to questions, suggesting the research topic of kaizen. She was an invaluable soundboard and source of both Japanese and Anglosphere experience and insight. She allowed me frequent travel from Japan to New Zealand to undertake coursework and research. In the weekends, she gave me time off from family duties to hit the books by entertaining our daughters Amy and Emma at a park or friend's house. Thanks for the Eureka moments. I am very much looking forward to repaying this tremendous debt.

Many Japanese academics and practitioners contributed valuable knowledge and insight into their worlds through official research enquiry and in-genba discourse. Unfortunately, names and contributions are too numerous to mention here but I would like to acknowledge one person in particular, Mr Yoshiaki Matsueda of Mitsubishi Corporation, for his contribution of many hours of discussion, provision of kaizen training material, advice, and encouragement.

My supervisors, James Lockhart, Heather Kavan, and Tony Iaquinto provided unequalled cogent and inspiring guidance and support to navigate the turbulent waters of practitioner academia. James (Massey University) provided a theoretical and practical framework to this research so to bridge the gap between practitioner experience and academic knowledge. He afforded me many hours of one-on-one contact time, and the means of discovery found in this thesis by peeling kaizen back

to its bare bones. Heather (Massey University) allowed me to delve into my holistic and experiential understanding of Japan by providing the means to view and interpret cross-culturalism and the holistic nature of my ideology. Tony (Eastern New Mexico University) provided definitive data reduction and interpretation methodology; and, through cumulative practitioner and academic knowledge and experience, many of the necessary building blocks required along the way. He was also an unmatched source of insight into the phenomenon that is Japan, assisting me to interpret my reality as an embedded foreigner.

Words of appreciation also go out to Ralph Stablein and Frank Sligo, along with James Lockhart, of Massey University, for their on-campus instruction in research methodology and analytical techniques, and means for the members of the DBA7 cohort to commence their DBA journeys. A special thanks to the administrative staff of the DBA programme for the services they provide.

The academics and practitioners of my DBA7 cohort provided many hours of fine dining, wine and conversation, resulting in valuable opportunity to develop my understanding and appreciation of the world I live in, as well as the worlds of other people. They include the new doctor at Auckland University of Technology, Noel Spanier, for his kind hospitality and many hours of discussion of topics that nobody else seemed interested in; Massey University's agri-specialist Daniel Conforte for his kind hospitality and words of wisdom. (Unfortunately, circumstances may not allow submission of his final thesis but I know that he is a doctor in his own right. RIP amigo.) Corporate peacekeeper Alan Withy imparted our cohort with much insight into New Zealand business practice and mediation. Finally, Auckland University's admin-guru, Ashoka Abeysekera, provided insight into the administrative workings of the public university sector.

Finally, to the members of the defence panel, my sincere appreciation for their time allotted to assessing this thesis, and for their follow-up advice and recommendations.

TABLE OF CONTENTS

ABSTRACT	II
ACKNOWLEDGEMENTS.....	IV
LIST OF FIGURES	X
LIST OF TABLES	X
ATTESTATION OF AUTHORSHIP	XI
BIOGRAPHY	XII
CHAPTER ONE: INTRODUCTION	13
1.1 KAIZEN AND ITS INTERPRETATION IN THE ANGLOSPHERE	13
1.2 EMERGENCE OF THE QUALITY MOVEMENT	15
1.2.1 <i>Genba is All</i>	16
1.2.2 <i>Kaizen Diffusion</i>	16
1.2.3 <i>Intergenerational Diffusion of Kaizen</i>	17
1.2.4 <i>Kaizen Drift</i>	18
1.3 RESEARCH QUESTIONS.....	18
1.4 OVERVIEW OF RESEARCH METHOD.....	20
1.5 THESIS OUTLINE.....	22
1.6 DEFINITIONS.....	23
CHAPTER TWO: LITERATURE REVIEW	29
2.1 INTRODUCTION	29
2.1.1 <i>Defining Kaizen in Japan</i>	30
2.1.2 <i>Defining Kaizen in the Anglosphere</i>	32
2.2 JAPANESE LITERATURE	34
2.2.1 <i>Japanese-Style Management</i>	35
2.3 JAPANESE PRACTICE.....	40
2.3.1 <i>Management by Incentive</i>	42
2.3.2 <i>People and Organisations</i>	43
2.3.3 <i>Toyota: Kaizen Philosophy and Practice</i>	44
2.4 JAPANESE SOCIETY	51
2.4.1 <i>Philosophy and Culture</i>	51
2.4.2 <i>The Virtues of Japanese Society</i>	53
2.4.3 <i>Kaizen as an Audience</i>	54
2.4.4 <i>Education</i>	55
2.5 MASLOW ON MOTIVATION.....	56
2.5.1 <i>Maslow Critique</i>	58

2.6 HERZBERG ON DUALITY	59
2.6.1 Herzberg Critique	62
2.7 HOFSTEDE ON PROXIMITY	62
2.7.1 Hofstede Critique	68
2.8 ANGLOSPHERE LITERATURE	68
2.8.1 Total Quality Management and Interpretations.....	71
2.8.2 The Malcolm Baldrige National Quality Award.....	78
2.9 ANGLOSPHERE PRACTICE	79
2.9.1 Tools, Tools, Tools	80
2.9.2 Organisational Learning.....	80
2.9.3 Systems Thinking.....	82
2.10 SUMMARY	83
CHAPTER THREE: RESEARCH METHOD	90
3.1 INTRODUCTION	90
3.2 QUESTIONNAIRE DESIGN.....	91
3.3 DATA	91
3.4 JUSTIFICATION FOR THE PARADIGM AND METHOD.....	95
3.5 UNIT OF ANALYSIS AND SAMPLE	96
3.6 OPERATIONAL PRECEPTS	96
3.7 PROCEDURES	97
3.8 TREATMENT OF DATA	97
3.9 VALIDITY ISSUES	97
3.10 STATISTICS	98
3.11 CODING.....	99
3.12 TRANSLATION	99
3.13 ETHICS	100
3.14 RESEARCH BENEFITS	101
3.15 SUMMARY	102
CHAPTER FOUR: RESULTS AND ANALYSIS	103
4.1 INTRODUCTION	103
4.2 CODING.....	103
4.3 PATTERNS IN THE NUMBERS	111
4.3.1 Independent Variables.....	112
4.3.2 Acknowledging and Exercising Kaizen by Generations	114
4.3.3 Kaizen Understanding.....	115
4.3.4 Differing Views of Kaizen	116
4.3.5 Kaizen Facilitation and Guidance	117

4.3.6 <i>Management and Employees</i>	118
4.3.7 <i>Kaizen Future Development</i>	119
4.4 SUMMARY	121
CHAPTER FIVE: DISCUSSION AND IMPLICATIONS	123
5.1 INTRODUCTION	123
5.2 THEMATIC DISCUSSION	123
5.3 A RESEARCHER-INSPIRED DEFINITION OF KAIZEN	129
5.4 IMPLICATIONS FOR JAPAN	131
5.4.1 <i>Defining Kaizen</i>	132
5.4.2 <i>Kaizen Means Change</i>	135
5.4.3 <i>Kaizen Tools and Methods</i>	140
5.4.4 <i>Kaizen Diffusion</i>	142
5.4.5 <i>Summary</i>	147
5.5 IMPLICATIONS FOR THE ANGLOSPHERE	148
5.5.1 <i>Misinterpretation and Misunderstanding</i>	148
5.5.2 <i>Long-Term Thinking</i>	149
5.5.3 <i>Union Cooperation</i>	150
5.5.4 <i>Summary</i>	152
5.6 THE DOMINANT LOGIC OF TRANSPLANT	153
5.7 SUMMARY	154
CHAPTER SIX: CONCLUSION	156
6.1 METHODOLOGICAL OVERVIEW	156
6.2 RESEARCH QUESTIONS.....	156
6.3 CONCLUSION AGAINST RESEARCH AIM	157
6.4 LIMITATIONS OF THE RESEARCH AND FUTURE OPPORTUNITIES	158
6.5 STRENGTH OF THE RESEARCH	159
6.6 IMPLICATIONS FOR BUSINESS IN JAPAN.....	162
6.7 IMPLICATIONS FOR BUSINESS IN THE ANGLOSPHERE.....	162
6.8 FOR PRACTITIONERS	163
REFERENCES	167
APPENDIX 1: TRANSLATION	190
APPENDIX 2: JAPANESE ACADEMIC CONFORMITY	196
APPENDIX 3: CULTURAL PROXIMITY	198
APPENDIX 4: ETHICS APPROVAL	203
APPENDIX 5: RECEIPT OF LOW RISK NOTIFICATION	207
APPENDIX 6: INFORMATION SHEET – ENGLISH	208

APPENDIX 7: INFORMATION SHEET – JAPANESE.....	210
APPENDIX 8: PARTICIPANT CONSENT FORM – ENGLISH.....	212
APPENDIX 9: PARTICIPANT CONSENT FORM – JAPANESE.....	213
APPENDIX 10: INTERVIEW QUESTIONS – ENGLISH.....	214
APPENDIX 11: INTERVIEW QUESTIONS – JAPANESE.....	215
APPENDIX 12: CONDENSED QUESTIONNAIRE SET.....	216
APPENDIX 13: ANALYSIS OF FREQUENCIES.....	217
APPENDIX 14: ANALYSIS OF DESCRIPTIVES.....	221
APPENDIX 15: ANALYSIS OF CROSS-TABULATIONS.....	222
APPENDIX 16: RESEARCH FEEDBACK TRANSCRIPTS.....	243

LIST OF FIGURES

Figure 2.1. The Japanese view of good and bad management.....	40
Figure 2.2. The 14 principles of the Toyota Way.....	47
Figure 2.3. Cross-reference of Maslow and Herzberg.....	62
Figure 2.4. The core ideas of Total Quality Management.....	73
Figure 2.5. Criteria for the Malcolm Baldrige National Quality Award.....	78
Figure A3.1. Hofstede's Individualism versus Collectivism.....	200
Figure A3.2. Hofstede's Power Distance.....	200
Figure A3.3. Hofstede's Uncertainty Avoidance.....	201
Figure A3.4. Hofstede's Masculinity versus Femininity.....	201

LIST OF TABLES

Table 3.1. Demographic analysis of collected data points.....	95
Table 4.1. Demographic analysis of generations and positions.....	113
Table 4.2. Demographic analysis of generations and positions.....	113
Table 4.3. Acknowledgement of kaizen across generations.....	114
Table 4.4. Exercise of kaizen across generations.....	115
Table 4.5. Exercise of kaizen across acknowledgement of kaizen.....	115
Table 4.6. Changes in kaizen understanding across generations.....	116
Table 4.7. Differing views of kaizen across generations.....	117
Table 4.8. Organisational approach to kaizen across generations.....	118
Table 4.9. Parent company approach to kaizen across generations.....	118
Table 4.10. Organisational orientation of kaizen across generations.....	119
Table 4.11. Future development of kaizen across generations.....	120
Table 4.12. Organisational development of kaizen across generations.....	120
Table A3.1. Influencing Philosophies of Japan.....	198
Table A3.2. Underpinnings of East Asian Management.....	199
Table A3.3. Hofstede's Short-Term versus Long-Term Orientation.....	202

ATTESTATION OF AUTHORSHIP

I hereby declare that this submission is my own work. To the best of my knowledge and belief all previously published material has been appropriately acknowledged herein, and the work on which the thesis is based has not been accepted either in part or in whole for any other degree or diploma at an institution of higher education.

A handwritten signature in black ink that reads "Wayne Macpherson". The signature is written in a cursive style with a horizontal line under the name.

Wayne Macpherson, DBA Candidate

BIOGRAPHY

Undertaking postgraduate study, being employed by Japanese corporations, and working within active kaizen environments over the last twenty years has provided me with unique insight into the holistic nature of Japan and the Japanese people. This motivated me to seek a deeper understanding of the Japanese quality management philosophy of kaizen through unhindered enquiry of those working in active kaizen environments. In addition to Japanese language and Japanese cultural fluency (should that be possible for a Westerner), I am able to adopt my home New Zealand Kiwi culture or adopted Japanese culture at will. That being, I can wear the mask I see fit: think and act Western, think Japanese but act Western, think Western but act Japanese, or think and act Japanese. My multicultural identity allows for in-depth enquiry and understanding, and subsequent articulation in a language that my audience can understand. It also allows for the removal of outside translators from the cross-language, cross-culture equation; and, for continuous drilling down in the attainment of deep and confirmed understanding by asking why, why, why, why, why, and why?