1. Kaizen: Definition & Overview
Kaizen is a philosophy that was attributed by many as contributing to the superior performance of Japanese manufacturing companies in the 1980s - especially leading automobile companies.

It refers to **activities that are aimed at continuous improvement** of all functions in a company. It lays emphasis on the fact that all employees need to be involved, from the top management to the mid-level managers, supervisors and the workers on the shop floor, in the journey towards continuous improvement.

However, Kaizen is not just a philosophy for manufacturing. It **subsumes a strong consumer-oriented strategy**. The fundamental principles of continuous evolution, inclusiveness of the entire organization, and the approach towards empowering cross-functional teams to challenge the status quo inherently echoes the principles of any good Customer Experience Management program.
2. Kaizen & CEM: The Synergies
The premise of Kaizen assumes that the person who performs a particular task is the most knowledgeable about it. Therefore, by providing them with the responsibility of continuous improvement of the task, the organization transfers a sense of ownership directly to the task executors and ensures pan-organizational participation.

This has a strong resonance with the approach that all good CEM Programs strive to achieve, with the entire organization working towards constant improvement in the experience provided to consumers.
Kaizen succeeds in driving this process-driven approach, by transferring ownership of the process to the employees while retaining the results within the process itself.

This eliminates any fear of failure that comes with experimentation and objective assessment of the processes in an organization. It bases its entire approach on the philosophy that all processes can be improved and employees can contribute to this effort by understanding the process and how their roles fit inside the said process.
3. Principles of Kaizen
Kaizen anchors all processes by *creating a structured approach with specific deliverables* and assigning ownership for the various stages in the process. Using a Kaizen-driven CEM program will require the following cultural orientation:

- Create a process-driven approach
- Emphasize that all processes can be improved
- Clarify the role of each employee within the process and how they fit in the whole system
- Constantly track and measure all processes
- Continuously improve the processes based on findings and insights that you discover
The starting point is to map the entire process or the Customer Experience spectrum. Visual mapping is an important aspect the Kaizen philosophy. *This may include process flows, checklists, action points or any other aspects to understand and facilitate improvement. A visual map is an easy method to get a snapshot view of critical information on an ongoing basis to the relevant stakeholder.*

Once the entire process is mapped, establish a plan to alter/modify the aspects that need to be improved.

Implement these changes within a test scenario or on a smaller scale to assess efficacy.

Observe the Results.

Evaluate the results, and the redefined process and then document the learnings.

Scale the changes across the entire process and record the improvement.

Repeat the Cycle.
Kaizen, essentially, is a problem-solution approach – and setting standards right at the beginning is one of the pillars of the Kaizen philosophy. While standards are usually top-down in approach, they need to be adaptable to learnings.

Standards provide a good baseline to assess each process and their results. Deviations against standards indicate both the areas of improvement before any change, as well as the extent of improvement once changes have been implemented.

One of the most critical aspects of a successful Kaizen philosophy also involves taking decisions on setting the right standards, as well as deciding when the standards need to be raised or changed in order to facilitate continuous improvement.
Implementing a Kaizen-based CEM Program
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The Kaizen principle can be practically implemented by following the PDSA Format (Plan, Do, Study, Act), also called the Demming cycle. Note: In some texts, the word ‘Study’ is replaced by ‘Check’ and hence it is termed the PDCA cycle.

**Plan**

Establish the necessary objectives and identify the processes that need to be improved.

As the first step, one would need to recreate the entire journey of the customer with a brand. Once completed, this provides the visual prototype of how customers engage and interact with the brand, and serves as the base of assessment.

Based on this Journey Map, identify the significant aspects of the customer experience that need to be assessed, and define the key channels through which the customers can be reached for their feedback on these aspects. This provides the foundation for the CEM architecture of the organization.
Implement the CEM architecture on a small-scale within the organization, starting with a few channels through which the customers’ feedback is collected.

Once the feedback collected is seamlessly used within the organization, the same process can be rolled out on the other channels which have been included within the CEM architecture for a full-fledged implementation.

Want to collect multi-channel feedback?
Act with CloudCherry now!
The CEM implementation does not end with a full-fledged rollout – STUDYING the results is required to understand the impact of this system on the organization and also allows for course corrections in the organization to keep the system buoyant and results-driven.

In a typical CEM implementation, studying the system in depth gives an analysis of the GAP that exists in the customer experience process and this knowledge can be used to enhance the customer experience further.
The process of operationalizing the changes constitutes the ACT phase in a Kaizen implementation.

Once the changes have been decided – the refined process becomes the new standard which needs to be challenged. And this makes Kaizen a self-sustaining, circular process in the quest for constant improvement.
5. Employee Activation on CEM systems
The biggest change Kaizen brings to an organization is not just process changes but a change in mindset from meeting standards to improving them.

One of the most important aspects of Kaizen is the ‘suggestions and proposals’ system. This system encourages employees to be active in assessing and communicating the gaps in any internal process.

The suggestions systems serve a dual purpose – they act as a productivity enabler as well as a driver of cultural change in the organization, facilitating two-way dialogue and participation.

Suggestions or proposals start when your employees perceive a problem and recognize the need to solve it. The issues inside an organization are the sources of any kind of proposal systems. But employees inside the organization do not perceive problems in the same way.
According to organizational research, there are 5 levels of ‘problem perception’ from employees in an organization:

**Level 1:**
People deny that there are problems or don’t want to see them.

**Level 2:**
People admit that there are problems but find excuses for not being able to solve them.

**Level 3:**
People accept the fact that there are problems but are unable to solve them because they don’t know how to tackle them.
Level 4: People want to see potential problems and they try to visualize them. They will also tackle them by learning proper methods.

Level 5: People know their problems, the methods to solve them and how to involve all the people in the process. They are ready to tackle any problem and change their organization if needed after solving the problem.

It should be the management's main aim to move employees onto level 4 and level 5.
Using CloudCherry to implement a Kaizen-based CEM Program
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In your CloudCherry dashboard, along with the **CDM (Customer Delight Meter) score**, you also get to view the most liked/disliked factor across any location. This is the starting point for using Kaizen principle.

![Figure 1: Most Disliked & Liked Factor](image1)

![Figure 2: Implementing the Kaizen Principle through CloudCherry](image2)

Our recommendation is to work on improving customer experience continuously by addressing the most disliked parameter over a period of time (say, a month).
Select ‘the most disliked’ parameter about Customer Experience from CloudCherry’s dashboard.

Find the rating or score on this parameter for a particular time period, say one month (or a higher period with a minimum of 30 responses).

Understand WHY this parameter rated the lowest. Use techniques like the ‘5 Whys’ (Keep asking ‘Why’ 5 times) to determine the root cause. For example, if waiting time is indicated as a dislike in a delivery restaurant, one of the reasons could be that the delivery staff is taking a long time in finding the address. And the time taken could be high because staff are newly recruited and do not know the surrounding areas well. It is very important to focus on identifying processes that are reducing performance, and not finding fault with the people.

**Plan:** to achieve a higher rating on this parameter in the forthcoming month. The benchmark could be the rating you have on your second-lowest parameter. You could also be ambitious and aim for a rating which is close to the top-most rated parameter. You can also aim for improvement as a % over existing score.
**Do:** Set up an action plan for improving this parameter to the set target level. Involve all people related to performance on this particular parameter. The best ideas can come from those who are closest to the deployment phase like front-end sales staff, service staff etc.

For the waiting time, the action plan could be providing all staff members with smartphones that have GPS navigation or a half-day training program on routes by experienced personnel.

**Study:** CloudCherry provides you real-time data to track the implementation of the improved processes. You will be able to know which ones are working and which ones are not. Allow some time (minimum of a month or 30 responses, whichever is higher) before you conclude on the effectiveness of any parameter.

**Act:** Based on the interventions that are working to improve your performance in the feedback, document and institutionalize the process. Inform all employees about these changes. For example, if GPS navigation apps and half-day training programs work to improve scores, then keep doing it regularly for all new delivery staff.
The PDSA cycle needs to be repeated continuously. As you improve one parameter, the other parameters could emerge as the most disliked ones. This new parameter becomes the starting point for the next cycle. *As you keep improving on weak parameters, you will ‘up the game’; your average ratings will go up. This is Kaizen, or continuous improvement.*

CloudCherry makes implementing Kaizen in the space of customer experience easier by providing you with a dynamic feedback system. You will immediately know what’s working and what’s not and do a course correction, if needed.
Conclusion
Now that you’ve learnt quite a bit about the Kaizen philosophy and how to make it an organization-wide practice, let’s find out how well you’ve been faring at it!

☐ I have a highly committed top management that focuses on new processes ideas as well finding ways to improve existing processes

☐ I have a group of motivated facilitators who are willing to drive the 4 crucial phases of Kaizen deployment (Plan-Do-Study-At)

☐ I have clearly and precisely defined objectives – what process to improve, what is the final goal of a particular Kaizen program right at the start of the exercise

☐ I have a cross functional team that owns and maintains the entire Kaizen ecosystem of continuous improvement

☐ I constantly follow up and assess my Kaizen program in order to implement changes as and when required within the process

☐ I look at the whole concept of Kaizen as a way of life instead of a one-time activity

If you’ve ticked off all these boxes, then you are Kaizen ready. Start delivering delight like a PRO!
How can CloudCherry help bring about Continuous Improvement in your Customer Experience strategy?

- Collect customer feedback relentlessly across multiple channels
- Access all the customer data from one centralized dashboard
- Track, analyse and improve customer experience-related processes in real-time
- Drill down into customer feedback to get to the bottom of what’s working and what’s not for your business

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ABOUT CLOUDCHERRY

CloudCherry is a leading, real-time omni-channel Customer Experience Management (CEM) platform that lets customer-facing brands track, measure & improve Customer Delight - thereby increasing profitability and loyalty.

With CloudCherry, brands get to capture experiential data at every customer touchpoint using 17 channels of interaction (& counting), get real-time alerts and notifications to address issues as they happen, and view all data on a single dashboard - a centralized view of all CX data.

Many of the largest brands in the world don’t just satisfy, but delight their customers with CloudCherry’s CEM platform.