

Workflow: Introduction

Toolkit 0.2

The Principles of Continuous Improvement

There are several methodologies that businesses use to bring structure to the process of improving operational practice and business performance. You may have heard of Six Sigma, Kaizen, Lean, or the Toyota Production System etc. Although these methodologies differ, their common and fundamental purpose is to structure and sustain continuous improvement.

Continuous improvement reflects the idea that organisations should undertake incremental improvements to processes, products, and services. A CI initiative is guided by a few core principles:

- **Clear CI vision and leadership** – Effective CI is intentional and focused. It is a structured initiative that depends on a clear vision, the leadership to implement it, and sound methodology to drive it forward and sustain it.
- **Incremental Improvement** – CI is based on the principle that small, steady, incremental changes towards a clear standard or practice form the basis of a CI journey. It is not the big, single, one-off intervention. Rather, it is a long-term initiative, an orientation, underscored by many intentional actions, often inexpensive, that together and cumulatively develop a world class business.
 - However, CI also makes provision for focussed improvement initiatives which, with strong project management, can provide for a step-change.
- **Employee empowerment and participation** – The involvement and participation of employees lies at the heart of a CI journey. While a formal CI initiative will be introduced and lead by the owner and/or senior management, its success, sustainability and level of integration in the daily operations relies on employee ownership and their contribution.
- **Shared learning** – Making information, best practice, and innovation available to the larger business community.
- **Measurement and feedback** – Improvement depends on measurement and feedback. If you do not define the standard (what “good” looks like), measure how you are performing against the standard, and provide the necessary feedback, steady improvement will not happen. A CI initiative relies on quantifiable measurement and ongoing feedback.
- **Embedded and repeated good practices** – The CI journey goes well beyond making a change once. Far more, it depends on embedding good operational practices, and applying and repeating those practices across the whole business. Just like one healthy meal doesn’t translate into a healthy lifestyle which requires daily, sustainable, good habits.

As you commence on your CI journey, ask yourself:

- “Do I have a clear vision, sense of purpose and intent of developing a top class organisation? I know what “good” looks like and have a plan to get there.”
- “Do I have a methodology (a structured way) to implement a CI initiative, the ability to set standards, measure improvement, and steadily embed good practice?”

- “Do I believe that my employees and the various teams are the talent pool on which a sustainably high performing organisation can be built?”