



# Linea Insights

## A Guide to the Evolution of Continuous Improvement Methodologies

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Continuous improvement has become a cornerstone of how modern businesses operate, and how they are able to continually refresh, revamp and revitalise their management practices, production methods and approaches to customer satisfaction. Committing to continuous improvement helps organisations to stay ahead of the curve and ensure that their operations are tailored for optimal efficiency and profitability at all times.

Just as continuous improvement teaches businesses about the value of ongoing reinvention and proactive self-analysis, the continuous improvement methodologies that organisations use have also undergone change and evolution over the years. This has resulted in businesses now having a more advanced set of continual improvement tools & techniques at their disposal than ever before.

Here, we will look at the evolution of continuous improvement methods from a historical perspective, while detailing the most popular improvement methodologies that have resulted from years of evolution.



## The history of continuous improvement methods

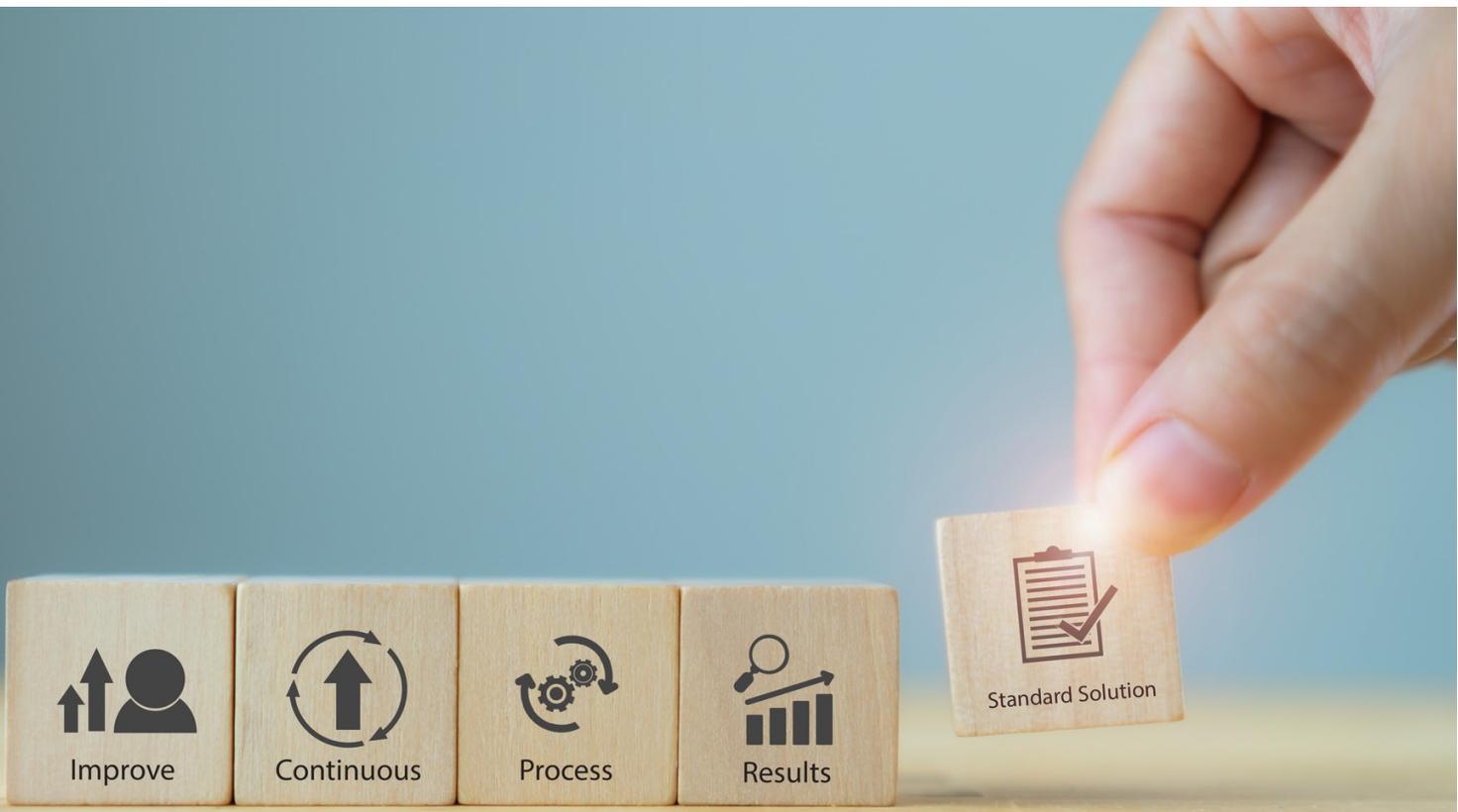
Although the concept of reviewing and improving management processes has existed for as long as businesses have operated, the modern concept of continuous improvement has its roots in the work of the American engineer and management consultant William Edwards Deming, specifically in terms of his efforts to help Japanese organisations to rebuild the economy after the Second World War.

Deming provided influential advice to many Japanese businesses from the 1950s onwards, helping organisations whose infrastructure had been devastated by the war to chart a path back to growth through a renewed focus on continually improving processes.

- The term "continuous improvement" takes inspiration from the equivalent Japanese word "kaizen". This concept encompasses several complementary business principles, including:
- A willingness to continually identify underlining problems, inefficiencies, and bottlenecks within the company by carrying out an exhaustive review of the entire organisation.
- Collaborating across all levels of the organisation to identify holistic solutions to solve various problems, based on industry best practice
- Allocating ownership for driving continuous improvement to different members of the team, all of whom are bought into the overall goal of organisational improvement and will be accountable for delivering on these objectives
- Providing training, education and ongoing skill development support to change the business culture in a way that enshrines continuous improvement as a core underlying goal for focused effort on 'True North'.

Thanks to the benefits this kind of continuous improvement process can deliver, the term "kaizen" soon became associated with Japan's economic resurgence in the decades that followed the Second World War. Businesses across the world were able to see how continuous improvement was able to help Japanese companies to greatly improve their approach to project management, quality control, agile manufacturing, and customer focus, ultimately helping them to eliminate waste and generate a considerable competitive advantage.

As such, kaizen methods have become popularised across the world in the subsequent years, with the successful adoption of continuous improvement principles by international companies leading to the evolution of various tools that have helped to take the benefits of continual improvement methodologies to the next level.



## What are the most popular continuous improvement processes?

Each of the following continuous improvement methodologies represents a distinct approach to analysing existing business structures and driving a continual transformation process based on the outcome of the analysis. These methods are not mutually exclusive, and can be combined and tailored to the specific needs of the organisation.

### Six Sigma

Six Sigma is a continuous improvement technique, originally pioneered at Motorola in the 1980s, before being deployed effectively by General Electric in the 90s. The core principle involves reducing product defects, or outliers from a standard baseline of product quality, to within 3.4 units for every 1 million that are produced.

Six Sigma methods depend on statistical quality control and ongoing quality improvement at every stage of the production line to assess the root cause of process variations and eliminate them, providing greater control of manufacturing & service outcomes.

### Lean Thinking

Lean processes were pioneered by the Toyota Motor Company in the mid-1990s, and are based on the principle of strict process control to deliver the greatest value for the customer with the minimum amount of waste.

Through Lean thinking, businesses are challenged to continually review their processes from a customer's perspective to ensure the highest quality at the lowest cost, and with the shortest lead times. By committing to reducing waste on an ongoing basis, Lean business processes help companies to enhance their bottom line and make optimal use of their resources, without compromising on customer satisfaction.

### Lean Six Sigma

As the name suggests, Lean Six Sigma is a hybrid continuous improvement model that brings together the best aspects of Lean Thinking and Six Sigma techniques. Specifically, it calls for businesses to commit to an ongoing effort to eliminate waste, engaging employees at all levels of the organisation, while also minimising variation in the company's output through statistical process control.

This hybrid method has been shown to deliver significant gains and is one of the most popular continuous improvement methods, largely superseding Six Sigma as a standalone methodology.

## EFQM MODEL

The EFQM Model provides a strategic approach to transformation, which inspires leaders at every level and creates a culture committed to driving sustainable improvement and accelerated performance.

The EFQM Model is a globally recognised management framework that supports organisations in managing change and improving performance. Trusted by thousands of organisations worldwide for more than 30 years, the EFQM Model not only remains relevant but continues to set the management agenda for any organisation wanting a long-term, sustainable future.



## ISO

ISO improvement methodologies are based on the quality management standards developed and maintained by the International Organization of Standardisation, and are designed to be applicable for businesses of all sizes in countries across the world.

The principles behind the ISO standards prioritise customer satisfaction across all aspects of a company's processes, product quality management and service delivery. Quality standards are defined by the needs of the customer, and the business must holistically develop integrated processes that deliver better outcomes for the client, while also committing to ongoing problem-solving driven by data and analytics.

These modern ISO standards take inspiration from the older Total Quality Management system, which was developed by Western nations in the 1970s and 1980s in response to the kaizen-inspired Japanese economic boom, but has largely been superseded by ISO in recent years.

## Theory of Constraints

The Theory of Constraints is a continuous improvement method that looks at the entire structure of the business and its processes and visualises it as a pipeline or series of nodes, with output limited by bottlenecks or constraints. This approach to project management is therefore focused on identifying, eliminating, and optimising these bottlenecks and inefficiencies on an ongoing basis, whether this is a process within the company, an external supply chain issue or anything else.

Popularised in the 1980s, the Theory of Constraints helps companies to work systematically through its inefficiencies, dealing with the biggest problems first and moving on to smaller inventory issues or unnecessary expenses, to help optimise company performance over time and deliver meaningful competitive advantage.



## Which method will work best for your organisation?

Understanding the differences between these improvement methodologies will allow your organisation to identify which method will be the most effective tool for your circumstances. By tailoring your continuous improvement approach according to the specific advantages of each method and your requirements as a business, you will be able to find the best way to improve quality across your intended metrics.

You should consider the following questions when choosing between continuous improvement approaches:

- What are the goals of your continuous improvement programme?
- Which of these improvement methodologies is geared towards delivering on your specified goals?
- Which method(s) best fits the current state of your organisational development? Would there be advantages in switching to another method once a certain milestone has been reached?
- Which method of quality improvement aligns best with your existing business culture and circumstances? Alternatively, which approach is most closely aligned with the organisational culture you are seeking to build?
- Can these continuous quality improvement principles be explained clearly and effectively to your workforce through training? Are you confident that the team will be willing to buy into the methodology, and understand its benefits?

It may be the case that your organisation requires coaching and support in understanding the pros and cons of these sophisticated methodologies, and guidance on choosing the right solution for your business. If this is the case, get in touch with the experts at Linea.





### Find out more:

We are experts in helping businesses to develop continuous quality improvement programmes that delivers comprehensive benefits across the organisation, and can help you develop a tailored approach to continuous improvement, based on industry best practice and the specific needs of your organisation.



You can find out more about how we can help companies to review their organisational performance at every level, and our expertise in putting Lean Six Sigma techniques in place to deliver sustainable ongoing process improvement.



Please call us on **+44 (0) 124 442 1095**, or complete our [contact form](#) to request a call back any time.



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